

Vol. XV. No. 4.

JANUARY, 1922.

25 cents a copy

# CURRENT HISTORY

PUBLISHED BY

**The New York Times Co.**

ISSUED MONTHLY

*25 cents  
a copy*



*25 cents  
a copy*

## ARMS CONFERENCE

*Complete Proceedings from Nov. 21 to Dec. 20, 1921*

## PHILIPPINE COMMISSION

*The Complete Official Report*

**Our National Defense**

*By Secretary of War Weeks*

**New Immigration Law**

*By the U. S. Commissioner*

**Irish Free State**

**Russian Relief**

*By Vernon Kellogg*

**Menace of Horthyism**

**Canada's Political Upheaval**

**Greek Campaign of 1921**

**Coal Monopoly by Murder**

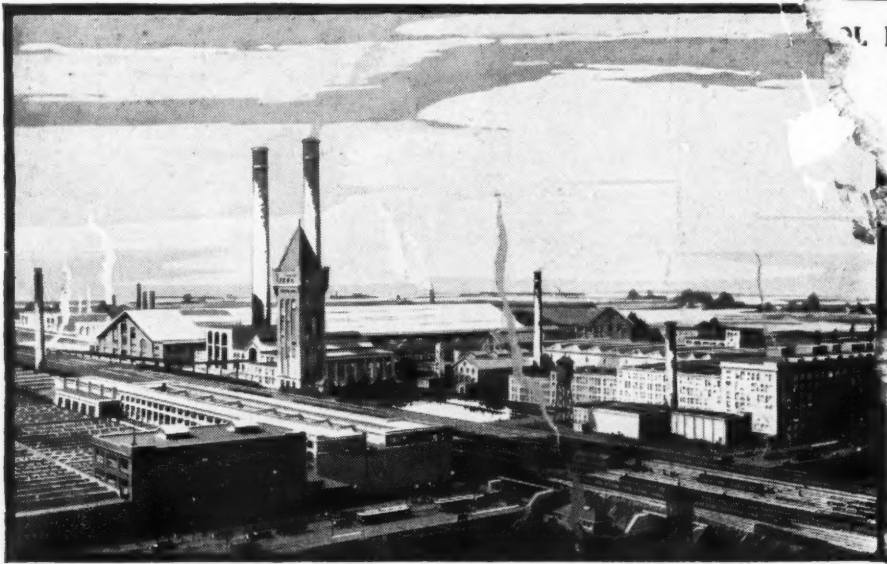
**Central American Union**

**Anglo-French Discord**

**South China's Case**

**Porto Rico's Politics**

**Hungary Aflame**



*Works of the Western Electric Company; the manufacturing department of the Bell System*

## Economical Equipment

Forty years ago the management of the Bell Telephone System organized for a supply of the apparatus which it foresaw would be required in the development of its new industry—telephone service.

The telephone in some countries is the luxury of the rich, but in America it is used by practically all the people. This universal service is due in large measure to foresight in engineering and manufacture.

Switchboards with millions of parts, other apparatus of highest efficiency, and all necessarily of complex and intricate design, cables and wires and a multitude of technical devices enable our country to lead the world in telephone service.

All this telephone equipment is

made in a factory which is recognized throughout the world as having the largest production and the highest standards of workmanship and efficiency.

This factory, controlled through stock ownership by the American Telephone and Telegraph Company, has been for forty years the manufacturing department of the Bell System; with the result that the associated companies secure equipment of the highest development, made of the best materials, produced in accordance with the requirements of the public, and with the certainty of moderate costs.

Economy in the Bell System begins with the manufacture of equipment.

**"BELL SYSTEM"**

**AMERICAN TELEPHONE AND TELEGRAPH COMPANY  
AND ASSOCIATED COMPANIES**

***One Policy, One System, Universal Service, and all directed toward Better Service***





# THE ARMS CONFERENCE

*Full record of the month's sessions dealing with important problems of the Far East—Text of the four-power treaty that assures the status quo in the Pacific—Progress toward withdrawal of foreign powers from China—Naval agreement on 5-5-3 ratio*

[PERIOD ENDED DEC. 20, 1921]

THE Washington Conference for Limitation of Armament made memorable strides during the month under review, especially in reference to the settlement of Pacific problems. The Committee on Naval Armaments also was in constant session, and on Dec. 15 the State Department gave out details of the results. The announced agreement between the delegates of Great Britain, the United States and Japan on a 5-5-3 ratio for capital ships was considered—apart from the four-power treaty on the Pacific—to be the most important result achieved by the conference. Though Japan had accepted in principle the sweeping plan for naval reduction which had electrified the world, she had been unwilling to sacrifice one of her capital ships—the Mutsu—which under the American plan was scheduled for scrapping, and the Japanese attitude, partly due to sentimental reasons (the Mutsu had been built in part by popular subscriptions), had been the main obstacle to agreement in the committee.

The official announcement giving the main provisions of the accepted compact explained how this obstacle had been finally overcome. Japan was to retain the Mutsu; to offset this she had consented to scrap the Setsu, one of her older ships. This change left Japan with a total capital ship allotment of 313,000 tons, as compared with 299,700 tons under the original proposal, or an increase of 13,600 tons. The retention of the Mutsu, moreover, gave Japan two post-Jutland ships of the latest de-

sign. To preserve the ratio with the other powers, it had been agreed that the United States should complete two ships—the Colorado and the Washington—still in process of construction, and should scrap two older vessels—the North Dakota and the Delaware. This would leave the United States with the same number of ships—eighteen—first assigned by the agreed ratio, but representing a total of 525,850 tons, as against the 500,650 previously suggested. Three of the ships would be post-Jutland ships of the Maryland type. The British Government was to construct two new vessels, not to exceed 35,000 tons each, English measurement (37,000, American measurement), to offset the fact that she possessed no post-Jutland ships except one Hood. She was, however, to scrap four more of the King George V. type, leaving her twenty capital ships, as against twenty-two under the first American proposal. This arrangement would place the British capital ship tonnage at 582,050 instead of 604,450, and would give Britain an excess of 56,200 tons over the United States; but that difference was deemed to be fair in view of the age of some of the British ships retained. The 5-5-3 ratio in replacement tonnage stands thus: United States, 525,000 tons; Great Britain, 525,000 tons; Japan, 315,000 tons. A further feature of the new agreement is that the status quo in respect to fortifications and naval bases in the Pacific is to be maintained.

The foregoing agreement was ex-

PLICITLY stated to be contingent on a suitable arrangement with France and Italy. An unexpected obstacle, however, arose in the case of France, whose delegates asked a ratio virtually double that proposed. Secretary Hughes had proposed a ratio of 1.75 for France and Italy (Italy having already agreed to the same ratio as that determined for France), and this had been backed by the British, Japanese and Italian delegates. M. Albert Sarraut, however, held out for an aggregate of 350,000 tons, to be constructed on a replacement basis from 1925 on, with a view to completing ten ships of 35,000 tons each by the end of the ten-year naval holiday proposed. To this plan Secretary Hughes found strong objection, and a virtual deadlock followed. The American Government at length decided to lay the issue before Premier Briand himself. Long cablegrams were exchanged between Hughes and Briand, with the result that the latter accepted the 1.75 ratio suggested by Mr. Hughes, but only on condition that France should have a strong quota of submarines and auxiliary craft. The complete replacement ratio for all the five powers as thus adjusted was:

| Country.            | Replacement |        | Per-     |
|---------------------|-------------|--------|----------|
|                     | Tonnage.    | Ratio. | centage. |
| United States ..... | 525,000     | 5      | 100      |
| Great Britain ..... | 525,000     | 5      | 100      |
| Japan .....         | 315,000     | 3      | 60       |
| France .....        | 175,000     | 1.75   | 35       |
| Italy .....         | 175,000     | 1.75   | 35       |

Fully equal in importance to the naval ratio agreement was the conclusion of the four-power treaty between the United States, Great Britain, France and Japan on their respective positions in the Pacific. This treaty was announced and read by Senator Lodge at the session of the Far Eastern Committee on Dec. 10. It pledged the four powers named to accept mediation in case of dispute regarding any of their Pacific possessions, and to take concerted action in case of any threat or aggression made by an outside power. The new pact was to remain in force for ten years. Under its terms the Anglo-Japanese alliance was automatically abrogated.

The treaty was formally signed on Dec. 13, after the signing, on the preceding day, of a special agreement between the United States and Japan on mandate islands, especially Yap.

The many vexed problems affecting China were thoroughly thrashed out before the Far Eastern Committee in continuing sessions. Fiscal affairs, notably customs revenues, were referred to a subcommittee for study and report, following a plea by Dr. Wellington Koo for an increase of China's customs tariff from 5 to 12½ per cent. The thorny problem of extraterritoriality was referred to an International Commission to study intensively and report upon within one year. The Chinese delegation won a tangible victory in the case of foreign Post Offices on Chinese soil, a resolution for withdrawal by all the powers concerned, including Japan, being passed at the session of Dec. 12. The question of leased territories proved to be beset with special difficulties. After a long argument by Dr. Koo, Great Britain, France and Japan all agreed to withdraw in part; Great Britain, however, insisted on retaining Kowloon, to protect Hongkong, and Japan on holding Dairen and Port Arthur.

A separate conference between the Chinese and Japanese on the question of the return of Shantung to China began Dec. 1 and continued in almost complete privacy for weeks. The crux of the whole controversy—the return of the Shantung Railway—brought a final deadlock. The Chinese refused the Japanese offer of joint control; on the other hand, their proposal to buy back the railroad on a three-year payment basis was refused by the Japanese. On Dec. 19 the Japanese agreed to a ten-year payment plan, but made other demands that China could not accept. At the seventeenth session, on Dec. 20, the two delegations adjourned sine die to await further instructions from their Governments. The official proceedings of the conference, from Nov. 22 to the time when these pages went to press, were as follows:

## CHINESE QUESTIONS

The Committee of the Whole on the Pacific and Far East decided on Nov. 22 to appoint a subcommittee to study Chinese fiscal affairs, notably the question of China's customs revenue. When the full committee met on Nov. 23, Dr. Wellington Koo gave a brief summary of the history of the Chinese tariff treaties and set forth the reason why China wished to have her customs quota raised from the established 5 per cent. to 12½ per cent. He made it clear, however, that China had no wish to interfere with the existing administration of

maritime customs, or with the application of customs revenue to the liquidation of foreign loans guaranteed by this revenue. The official report of the Chinese representations, which were referred to the subcommittee above mentioned, is as follows:

The Committee on Pacific and Far Eastern Questions met [Nov. 23] in the Columbus Room of the Pan American Building. All the members were present except Signor Meda and Baron Shidehara. Mr. Hanihara was present for the first time as one of the Japanese delegates.

The topic of discussion was the customs revenue of China. Mr. Koo, on behalf of the Chinese delegation, made a statement as follows:

First of all, he emphasized that the Chinese Government had no desire to interfere with the present administration of maritime customs or with devotion of the proceeds of the customs revenue to the liquidation of various foreign loans secured thereon. A brief account was given by him of the origin and history of the Chinese treaty tariffs. Prior to 1842, he said, China enjoyed the full right of levying customs duties. In 1842, however, and in the subsequent years after having made treaties with Great Britain, France and the United States, a limitation upon this right was for the first time imposed.

The rule of 5 per cent. ad valorem was thereby established, and the rates were based upon the current prices then prevailing. In 1858, as prices of commodities began to drop and the 5 per cent. actually collected appeared to be somewhat in excess of the 5 per cent. prescribed, a revision was asked for by the treaty powers. A revision was accordingly made. Later, however, as prices mounted, no request for a revision was forthcoming, and the Chinese Government on its part did not press for a revision, seeing that the revenue then collected from other sources was not inadequate to meet its requirements.

But the fact was that the customs rate then prevailing was much less than the 5 per cent. stipulated for. It was only in 1902 that a revision was made in order to afford sufficient funds to meet the Chinese obligations arising out of the Boxer protocol. In that tariff the rate was calculated on the basis of the average prices of 1897 to 1899. In 1912 an attempt was made by the Chinese Government to have another revision, but it failed, owing to the



Map of section of China involved in the Arms Conference discussion. The railway from Tsinan-fu to Kiau-chau is the portion of the Shantung concession which the Japanese are least willing to hand over to China



difficulty of securing the unanimous consent of sixteen or seventeen powers. It was only after six years of long negotiations that in 1918 another revision was effected. The tariff of 1918 is in force and yields only 3½ per cent.

Mr. Koo proposed to restore to China the right to fix and to differentiate the import tariff rates, but as it appeared hardly possible to establish a new régime all at once, he said that full autonomy should be restored to China after a certain period to be agreed upon. In the meantime China would impose a maximum rate and would like to enjoy full freedom within a maximum, such as the right of differentiation among the different classes of commodities. But as the present financial condition of the Chinese Government was such as to require some immediate relief, it was proposed that on and after Jan. 1, 1922, the Chinese import tariff be raised to 12½ per cent., as it was stipulated for in the treaty with the United States, Great Britain and Japan.

Among the reasons he gave in support of the proposals of the Chinese delegation, the following is the gist:

1. The existing customs régime in China constitutes an infringement of China's sovereign right to fix the tariff rates at her own discretion.

2. It deprives China of the power to make reciprocity arrangements with the foreign powers. While all foreign goods imported into China pay only 5 per cent., Chinese goods exported to foreign countries have to pay duties of a maximum rate. Examples were given to show this lack of reciprocity.

3. It constitutes a serious impediment upon the economic development of China.

4. As the system now stands, there is only one uniform rate and no differentiation of rates. The disadvantage is obvious, because it does not take into account the economic and social needs of the Chinese people. China is in need of machinery and metals for which China would like to impose a tariff rate even lower than the 5 per cent. For luxuries, such as cigars and cigarettes, the tax ought, perhaps, to be heavy in order to prevent their injurious effects upon the morals and social habits of the people. As it stands, therefore, the Chinese tariff is not scientific at all.

5. The present tariff has occasioned a serious loss of revenue upon the Chinese Exchequer. The item of customs duties is an important one in the budget of nearly all countries. For instance, Great Britain raises 12 per cent. of its revenue from customs duties; France, 15 per cent., and the United States raised 35 per cent. from this source before the World War. But the customs revenue in the Chinese budget as it now stands becomes a comparatively insignificant factor.

6. The present régime makes it exceedingly difficult for the Chinese Government

to ask for a revision, as was shown in past experiences in 1912 and in 1918.

7. Even if the effective 5 per cent. should be levied, the revenue resulting therefrom will still be hardly adequate to meet the requirements of the Chinese Government, as the Government has many functions to perform in matters of modern education, sanitation, public utilities, &c.

After general discussion of the customs tariff question, this subject was transferred to the subcommittee agreed upon at the meeting held Nov. 22, the members of which were announced to be as follows:

Chairman—Senator Underwood, United States of America.

Belgium—Baron de Cartier; M. Cattier, alternate.

British Empire—Sir Robert Borden; Mr. Lampson, alternate.

China—Dr. Wellington Koo.

France—M. Sarraut.

Italy—Senator Albertini; Signor Vincenzo Felletti, alternate.

Japan—Mr. Hanihara.

Netherlands—Jonkheer Beelaerts von Blokland.

Portugal—Captain Ernesto Vasconcellos.

The meeting of the full Committee on Pacific and Far Eastern Questions adjourned until Nov. 25, 1921. The subcommittee will meet upon the call of Senator Underwood as Chairman.

#### IMPORTANT COMMITTEE MEETING

At the meeting of the Pacific and Far Eastern Committee held on the morning of Nov. 25, two momentous topics arose for discussion, namely, extraterritorial courts and the alien Post Office system established by various powers in China. The official communique opened with a categorical denial by Chairman Hughes of a reported clash between Mr. Balfour and the American delegation over an American proposal to keep a record of the committee's proceedings. The communique ran thus:

The Committee on Pacific and Far Eastern Questions met in the Pan American Building Friday, Nov. 25, at 11 A. M. All the delegates were present except Signor Meda, Baron Shidehara, M. Sarraut and Lord Lee.

At the opening of the session Mr. Hughes expressed his great regret at the appearance of a report in a Washington paper this morning of alleged happenings at the last meeting of the committee. The report of antagonism with Mr. Balfour was not only untrue, but grotesque, and did him the grossest injustice; Mr. Hughes could not imagine how such a rumor got into circulation. Mr. Balfour expressed his great appreciation of





**CROWN PRINCE HIROHITO**  
*Proclaimed Regent of Japan on account of  
 his father's failing health*

Mr. Hughes's statement. He had never doubted that Mr. Hughes would take the view he had just stated, but the manner and words in which that view had been put before the committee had deeply moved him and he wished to express his thanks.

After a discussion it was decided to appoint a subcommittee to investigate and report in regard to the question of extraterritoriality in China. In regard to this subject Dr. Chung Hui-wang, Chief Justice of the Supreme Court of China, made a statement which will appear later.

The committee then discussed the question of foreign Post Office in China, the Chinese Minister, Mr. Sze, making a statement which will subsequently be made public.

The committee then adjourned to meet on Saturday morning, Nov. 26.

#### DR. CHUNG ON EXTRATERRITORIALITY

The statement presented at this meeting by Dr. Chung Hui-wang on extraterritoriality detailed the conditions created by that system, and ended with a plea that action be taken to improve and eventually to abolish this embarrassing application of foreign privilege. Dr. Chung said:

Extraterritoriality in China dates back almost to the beginning of treaty relations with foreign countries. It was clearly laid down in the Treaty of 1844 between the United States and China, and a similar provision has since been inserted in the treaties with other powers. Extraterritorial rights were granted at a time when there were only five treaty ports—that is, places where foreigners could trade and reside. Now there are fifty such places and an equal number of places open to foreign trade on China's own initiative.

This means an ever-increasing number of persons within her territory over whom she is almost powerless. This anomalous condition has become a serious problem with which the local administration is confronted, and if the impairment of the territorial and administrative integrity of China is not to be continued the matter demands immediate solution. I should like to point out a few of the serious objections to the extraterritorial system. In the first place, it is in derogation of China's sovereign rights and is regarded by the Chinese people as a national humiliation.

There is a multiplicity of courts in one and the same locality and the interrelation of such courts has given rise to a legal situation which is perplexing both to the trained lawyer and to the layman.

The disadvantage arising from the uncertainty of the law: The general rule is that the law to be applied in a given case is the law of the defendant's nationality, and so

in a commercial transaction between, say, X and Y of different nationalities, the rights and liabilities of the parties vary according as X sues Y first or Y sues X first.

When causes of action, civil or criminal, arise in which foreigners are defendants, it is necessary for adjudication that they shall be carried to the nearest consular court, which may be many miles away, and so it often happens that it is practically impossible to obtain the attendance of the necessary witnesses or to produce other necessary evidence.

Finally, it is a further disadvantage to the Chinese that the foreigners in China under cover of extraterritoriality claim immunity from local taxes and excises which the Chinese are required to pay. Sir Robert Hart, who worked and lived in China for many years, has this to say in his work, "These From the Land of Sinim": "The extraterritoriality stipulation may have relieved the native official of some troublesome duties, but it has always been felt to be offensive and humiliating and has ever a disintegrating effect, leading the people on one hand to despise their own Government and officials, and on the other to envy and dislike the foreigner withdrawn from native control."

#### PROGRESS TOWARD REFORM

Until the system is abolished or substantially modified it is inexpedient for China to open her entire territory to foreign trade and commerce. The evils of the existing system have been so obvious that Great Britain in 1902, Japan and the United States in 1903 and Sweden in 1908 agreed, subject to certain conditions, to relinquish their extraterritorial rights. Twenty years have elapsed since the conclusion of these treaties, and while it is a matter of opinion as to whether or not the state of China's laws has attained the standard to which she is expected to conform, it is impossible to deny that China has made great progress on the path of legal reform.

A few facts will suffice for the present. A law codification committee for the compilation and revision of laws has been sitting since 1904. Five codes have been prepared, some of which have already been put into force. First, the civil code (still in course of revision). Second, criminal code (in force since 1912). Third, code of civil procedure. Fourth, code of criminal procedure, both of which have just been promulgated. Fifth, commercial code, part of which has been put into force. These codes have been prepared with the assistance of foreign experts and are based mainly on the principles of modern jurisprudence. Among the numerous supplementary laws may be especially mentioned a law of 1918, called "Rules for the Application of Foreign Law," which deals with matters relating to private international law. Under these rules foreign law is given ample application.

Then there is a new system of law courts, established in 1910. The Judges are all modern trained lawyers, and no one can be appointed a Judge unless he has attained the requisite legal training. These are some of the reforms which have been carried out on our part. I venture to say that the China of today is not what she was twenty years ago, when Great Britain encouraged her to reform her judicial system, and a fortiori she is not what she was eighty years ago, when she first granted extraterritorial rights to the treaty powers.

I have made these observations not for the purpose of asking for an immediate and complete abolition of extraterritoriality, but for the purpose of inviting the powers to co-operate with China in taking initial steps toward improving and eventually abolishing the existing system, which is admitted on all hands to be unsatisfactory both to foreigners and to Chinese. It is gratifying to learn of the sympathetic attitude of the powers toward this question, as expressed by the various delegations at a previous meeting of this committee.

The Chinese delegation, therefore, asks that the powers now represented in this conference agree to relinquish their extraterritorial rights in China at the end of a definite period. Meanwhile, the Chinese delegation proposes that the powers represented at this conference will at a date to be agreed upon designate representatives to enter into negotiations with China for the adoption of a plan for a progressive modification and ultimate abolition of the system of extraterritoriality in China, the carrying out of which plan is to be distributed over the above-mentioned period.

#### PLEA FOR POSTAL CONTROL

The official text of Dr. Sze's appeal for abolishing the alien postal system in China—presented at the committee meeting of Nov. 25—is as follows:

As was referred to by Mr. Koo the other day in his remarks before the committee, China has suffered and is now suffering not only from limitations upon her territorial and administrative integrity, to which she has been led to consent, but also from open violations of her rights as a territorial sovereign, for which not even a color of contractual right can be claimed.

Among these violations are the stationing of foreign troops and railway guards at various points, the installations of wire and wireless electrical communications, the maintenance of foreign Post Offices, and so-called police boxes. I shall first speak of the foreign postal services maintained upon Chinese soil.

China requests that the powers assembled in the conference agree at once to abolish all postal services now maintained by them in China. She bases her request upon the following propositions:

1. That China has organized and is now conducting a postal system covering the entire country and maintaining relations with all foreign countries adequate to meet all requirements. The transmission of postal matter is a Government monopoly, the first paragraph of the postal statutes of Oct.



(© Harris & Ewing)

MASANAO HANIHARA

*Japanese Vice Minister of Foreign Affairs, who has taken Baron Shidehara's place in the conference*

12, 1921, reading: "The postal business is exclusively conducted by the Government."

2. That the existence of these foreign Post Offices interferes with and makes more difficult the development of this system, and deprives the system of a revenue which legally and equitably should belong to it.

3. That the maintenance by foreign Governments of Post Offices in China is in direct violation of the latter's territorial and administrative integrity, and rests upon no treaty or other legal rights.

Early in the '60s of the last century foreign Post Offices began to open branches and agencies in the particular treaty ports of China. The opening of these offices was not based on any treaty provision or concession. Their existence and gradual in-

crease was merely tolerated by the Chinese Government.

About the same time a regular service for the carriage of mails was established on foreign lines in connection with the customs, operating chiefly between the numerous ports on the coast of China and those far up the Yangtse River. This service continued to work and improved its machinery year by year. By imperial decree of March 20, 1896, this system was erected into a distinct Chinese postal system, and placed under the general direction of the Inspector General of Customs. Finally, by imperial decree of May 28, 1911, the system was taken from under the administration of the Inspector General of Customs and erected into an independent system operating directly under the Minister of Posts and Communications. Since that date the system has operated wholly as one of the administrative services of the Chinese Government.

On March 1, 1914, China gave her adherence to the Universal Postal Convention, and since Sept. 1 of that year China has continued as a member in good standing of the Universal Postal Union.

As the Universal Postal Union does not recognize the right of any country to maintain Post Offices in another country which is a member of the postal union, the Chinese delegation brought up the question of alien establishments in China at the Universal Postal Congress, opened at Madrid on Oct. 1, 1920. The question of their withdrawal was, however, regarded as within the purview of their respective Foreign Offices, and no definite decision was reached. A measure was passed, however, to the effect that only those foreign postal agencies could be considered as within the union as were established in a foreign country not itself within the Universal Postal Union, of which China has been a member since Sept. 1, 1914.

#### CHINESE POSTAL SYSTEM

The Chinese Post Office maintains the cheapest general service in the world. In spite of these very cheap rates and very high transportation costs of maintaining long courier lines where no modern facilities are available, the surplus of receipts over expenditures has been steadily increasing. All profits are being put into improvements on the service, particularly in new offices and extension of the service to the smaller villages inland. Its income in 1920 was \$12,679,121.98 and its expenditures \$10,467,053.07, thus leaving a surplus for the year's operation of \$2,212,068.91.

Senders of registered articles, parcels, insured letters and express articles are entitled to claim indemnity in case of loss by the Post Office. Although in 1920 over 37,000,000 of such articles were posted, less than 400 claims for indemnity were made, the percentage being about 1 in 90,000.

There has been a decrease of 30 per cent.



in the number of insured letters posted in the last four years, though other mail matter has increased by 50 per cent. in the same time. This is considered as indicating a growing public confidence in the other non-insured services.

The Chinese Post Office has over 3,000 linguist employes, and every office serving places of foreign residence in China is amply supplied from this large number of linguists to cope with all foreign correspondence.

The efficiency of the Chinese postal service is further guaranteed by sturdy civil service methods in appointments of staff. Employees enter only after a fair examination, both mental and physical. Postmasters, even in the larger cities, are selected from the most efficient of the employes, never from outside the service. The penalty for invoking political aid is dismissal and in practice is never done.

The Post Office functions under the same leadership over the entire country. In time of local disturbance and revolution the revolutionists have recognized the Post Office as a necessity to the welfare of the community and have always permitted it to continue its functions without change of staff or control.

Notwithstanding the disturbed condition of affairs in China during recent years, this system has been steadily developed since it was placed wholly under the direction and control of Chinese authorities.

Mail matter posted has increased approximately 300 per cent. since 1911 (from 126,539,228 to 400,886,935 in 1920). Parcels posted have increased from 154,740 in 1911 to 4,216,200 in 1920.

There is now scarcely a Chinese village which is not served either by a Post Office, agency or minor postal establishment. Major establishments (offices and agencies) have increased from 9,103 in 1917 to 10,469 in 1920. Minor establishments (town box offices and rural stations) have increased from 4,890 in 1917 to 20,856 in 1920. This makes a total of 31,325 places now provided with postal facilities, more than double the number of places served four years ago.

Mr. Willoughby, in his careful study, "Foreign Rights and Interests in China," in speaking of this system says:

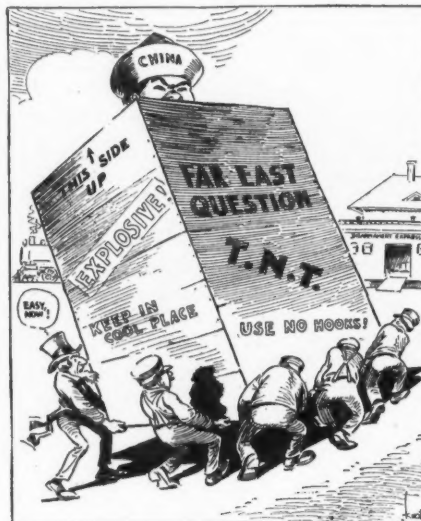
"At the present time (1920) the postal service in China is one for which the Government deserves great credit. Generally speaking, the service is efficiently operated and with reasonable financial success, notwithstanding the fact that China has been obliged to acquiesce in the operation within her borders of some sixty or more foreign Post Offices."

#### FOREIGN POST OFFICES

Notwithstanding the fact that China now has an efficient postal system, certain foreign Governments continue to maintain

Post Offices of this order in China. At the present time Great Britain, France, America and Japan are maintaining and operating offices of this kind at a large number of places. The alien postal establishments

[American Cartoon]



—Dallas News

WITH CARE!

in China as they stand at present are as follows: Great Britain, 12; Japan, 124; France, 13; the United States, 1. The Japanese establishments are classed as follows: First class offices, 7; second class offices, 23; third class offices, 4; unclassified offices, 10; suboffices, 3; box offices, 1; agencies, 33; letter boxes, 33; field Post Offices, 10.

These Post Offices have their own postage stamps and operate in every respect in direct competition with the Chinese system. It is to be noted, moreover, that these foreign offices are located at the chief centres of population, industry and commerce. They are thus in a position where they can, so to speak, skim the cream of the postal business, since they are under no obligations to, and, in fact, do not maintain offices at unimportant points.

It is submitted that if the necessity ever existed for the maintenance of foreign Post Offices in China, this necessity has now passed away. As early as April 20, 1902, the American Minister at Peking reported to his Government (United States foreign relations, 1902, p. 225):

"I have given such investigation as I have been able and report that in my judgment foreign Post Offices in China, except in Shanghai, are not a necessity, because the Chinese postal service, under the imperial maritime customs, is everywhere giving satisfactory service and is rapidly



and effectively increasing and extending into the interior."

More recently the Commercial Hand Book of China, from which we have already quoted, says: "The developments of the

[American Cartoon]



—New York World

"SOMETHING JUST AS GOOD, SIR"

Chinese postal service during the last decade have been so extensive and so favorable that there is in reality no longer any need for a continuance of the foreign Post Offices operated in that country."

It is to be noted, moreover, that the maintenance of these foreign offices rests upon no treaty or other legal right. Regarding this point, the American Minister, in his communication to his country on April 20, 1902, to which reference has already been made, said:

"The foreign Post Offices are being established principally for political reasons, either in view of their future designs upon the empire, to strengthen their own footing or because jealous of that of others. They are not established with the consent of China, but in spite of her. They will not be profitable. Their establishment materially interferes with and embarrasses the development of the Chinese postal service, is an interference with China's sovereignty, is inconsistent with our well-known policy toward the empire, and I cannot find any good reason for their establishment by the United States."

In conclusion China wishes to point out that, wholly apart from the financial loss suffered by her as a result of the existence of foreign Post Offices on her soil and the obstacles thereby placed in the way of the development of her own postal system, the maintenance of such offices repre-

sents a most direct violation of her territorial and administrative integrity. It is one, moreover, that is peculiarly objectionable, since it is a constant, visible reminder to the Chinese people that they are not accorded the consideration given to other peoples. This necessarily has a tendency to lower the prestige of the Chinese Government in the eyes of her people and to make more difficult the already difficult problem of maintaining a Government that will command the respect and ready obedience of her population. From whatever standpoint viewed, the continuance of these foreign Post Offices upon Chinese soil should, therefore, be disapproved.

The personnel of the subcommittee appointed to study the question of extraterritoriality was embodied in the communique of Nov. 26. The members of this subcommittee as announced were: United States, Senator Lodge; British Empire, Senator Pearce (the Australian delegate); France, M. Sarraut; Italy, Senator Ricci; Japan, Mr. Hanihara; Belgium, Chevalier de Wouters; China, Dr. Chung Hui-wang; Holland, Jonkheer van Karnebeek; Portugal, Captain Vasconcellos.

#### TO WITHDRAW POST OFFICES

While the subcommittee named above was still studying the problems connected with the elimination or modification of extraterritoriality the full committee met again on Nov. 26 and agreed in principle that the Chinese plea for withdrawal of the alien Post Office system should be granted as soon as such a change was justified by the conditions. The official communique read as follows:

The Committee on Pacific and Far Eastern Questions met in the Pan American Building Saturday, Nov. 26, 1921. The committee discussed the matter of foreign Post Offices in China, and it was the sense of the committee that there should be a withdrawal of the foreign Post Offices in China as soon as it appeared that conditions warranted. A subcommittee composed of Senator Lodge, Sir Auckland Geddes, Mr. Viviani, Mr. Hanihara and Mr. Sze was constituted to draw up a resolution to this effect for submission to the full committee at its next session.

This decision was further confirmed by the committee at its session of Nov. 28. The report of the subcommittee empowered to consider

the postal situation was discussed and unanimously adopted. The only hitch that occurred was the Japanese delegates' inability to subscribe to any definite date for the agreed withdrawal until after consultation with the Japanese Government. In the final resolution, which sanctioned withdrawal, therefore, the date was temporarily left blank. The official communique reporting the action taken is given herewith:

The committee received the report of the Subcommittee on Foreign Post Offices in China and adopted it unanimously, the date on which it shall come into force and effect being deferred for public announcement in the near future. The report as adopted is as follows:

"Recognizing the justice of the desire expressed by the Chinese Government to secure the abolition of foreign postal agencies in China, save or except in leased territories or as otherwise specifically provided by treaty, it is resolved:

"1. The four powers having such postal agencies agree to their abandonment, subject to the following conditions:

"(a) That an efficient Chinese postal service is maintained.

"(b) That an assurance is given by the Chinese Government that they contemplate no change in the present postal administration so far as the status of the foreign Co-Director General is concerned.

"2. (a) To enable China and the powers concerned to make the necessary dispositions, this arrangement shall come into force and effect not later than —

"(b) Pending the complete withdrawal of foreign postal agencies, the four powers concerned severally undertake to afford full facilities to the Chinese customs authorities to examine in those agencies all postal matter (excepting ordinary letters, whether registered or not, which upon examination appear plainly to contain only written matter) passing through them, with a view to ascertaining whether they contain articles which are dutiable or contraband or which otherwise contravene the customs regulations or laws of China."

The committee received the statement of the subcommittee on extraterritoriality, reporting progress, and a statement from the Chinese delegation asking for the removal of the various establishments placed in China

by foreign powers without treaty sanction, such as foreign troops, police boxes and telegraph and wireless stations. The committee decided to begin the discussion of these questions at its next meeting. The committee also decided that there should be constituted a standing subcommittee on drafting to be composed of a delegate appointed by each power. The committee then adjourned to meet Nov. 29, 1921.

#### INTERNATIONAL COMMISSION ON EXTRATERRITORIALITY

At the session of Nov. 29 the Chinese delegation had the satisfaction of seeing the whole vexed question of extraterritoriality referred to an international commission for intensive study and report within one year. Though this was far from being as sweeping a victory as that won in the case of alien Post Offices, it gave earnest of an eventual solution on terms of equity, and it was subscribed to heartily by the Chinese representatives. The action taken by the committee was embodied in the official communique printed below:

The committee on Pacific and Far Eastern questions met in the Pan American

[English Cartoon]



—Evening News, London

WASHINGTON'S LITTLE HATCHET

MR. WORLD: "Never mind about the cherry tree, George, but get busy with this bunch of limbs here!"

[American Cartoon]



—© New York Tribune

Oh, look what's growing out of the junk pile!

Building, Washington, D. C., Tuesday Nov. 29, 1921. All the delegates were present except Sir Robert Borden, Ambassador Ricci, Signor Meda and Ambassador Shi-dehara.

Senator Lodge, whose report on behalf of the Subcommittee on Foreign Post Offices in China was accepted yesterday, today presented resolutions of the Subcommittee on Extraterritorial Rights in China, which were unanimously adopted by the committee, as follows:

Resolution for the establishment of a commission to investigate and report upon extraterritoriality and the administration of justice in China.

The representatives of the powers herein-after named, participating in the discussion of Pacific and Far Eastern questions in the Conference on the Limitation of Armament—to wit, the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands and Portugal—

Having taken note of the fact that in the treaty between Great Britain and China, dated Sept. 5, 1902, in the treaty between the United States of America and China, dated Oct. 8, 1903, and in the treaty between Japan and China, dated Oct. 8, 1903, these several powers have agreed to give every assistance toward the attainment by the Chinese Government of its expressed desire to reform its judicial system and to bring it into accord with that of Western nations, and have declared that they are also "prepared to relinquish extraterritorial rights when satisfied that the state

of the Chinese laws, the arrangements for their administration, and other conditions warrant" them in so doing;

Being sympathetically disposed toward furthering in this regard the aspiration to which the Chinese delegation gave expression on Nov. 16, 1921, to the effect that "immediately, or as soon as circumstances will permit, existing limitations upon China's political, jurisdictional and administrative freedom of action are to be removed";

Considering that any determination in regard to such action as might be appropriate to this end must depend upon ascertainment and appreciation of complicated states of fact in regard to the laws and the judicial system and the methods of judicial administration of China, which the conference is not in a position to determine;

Have resolved,

That the Governments of the powers above named shall establish a commission (to which each of such Governments shall appoint one member) to inquire into the present practice of extraterritorial jurisdiction in China, and into the laws and the judicial system and the methods of judicial administration of China, with a view to reporting to the Governments of the several powers above named in their findings of fact in regard to these matters, and their recommendations as to such means as they may find suitable to improve the existing conditions of the administration of justice in China, and to assist and further the efforts of the Chinese Government to effect such legislation and judicial reforms as would warrant the several powers in relinquishing, either progressively or otherwise, their respective rights of extraterritoriality;

That the commission herein contemplated shall be constituted within three months after the adjournment of the conference, with detailed arrangements to be hereafter agreed upon by the Governments of the powers above named, and shall be instructed to submit its report and resolutions within one year after the first meeting of the committee;

That each of the powers above named shall be deemed free to accept or to reject all or any portion of the recommendations of the committee herein contemplated, but that in no case shall any of the said powers make its acceptance of all or any part of such recommendations either directly or indirectly dependent on the granting by China of any special concession, favor, benefit or immunity, whether political or economic.

Additional resolution:

That the non-signatory powers, having by treaty extraterritorial rights in China, may accede to the resolution affecting extraterritoriality and the administration of justice in China by depositing within three months after the adjournment of the conference a written notice of accession with the Government of the United States for



communication by it to each of the signatory powers.

Additional resolution:

That China, having taken note of the resolutions affecting the establishment of a commission to investigate and report upon extraterritoriality and the administration of justice in China, expresses its satisfaction with the sympathetic disposition of the powers hereinbefore named in regard to the aspirations of the Chinese Government to secure the abolition of extraterritoriality from China, and declares its intention to appoint a representative who shall have the right to sit as a member of the said committee, it being understood that China shall be deemed free to accept or to reject any or all of the recommendations of the commission. Furthermore, China is prepared to co-operate in the work of this commission and to afford to it every possible facility for the successful accomplishment of its tasks.

The foregoing action of the Far East committee regarding extraterritoriality was taken in conformity with the so-called "Root formula"—the resolution drafted by Elihu Root at an earlier session expressing the main powers' desire and intention to work for China's sovereignty and welfare. Basing his arguments upon this formula, Dr. Sze, the Chinese Minister, went one step further at the same session in proposing to the committee that all foreign troops and foreign telegraph, wireless and police wire systems be withdrawn from Chinese soil. Dr. Sze presented a long summary, part of which he had already given at the preceding session, of the whole situation in China regarding the presence of alien troops and communications.

#### ALIEN TROOPS IN CHINA

It is estimated that the foreign troops in China at present number about 10,000, distributed in part as follows:

In Peking: United States, 14 officers, 270 men; Belgians, 1 officer, 19 men; British, 8 officers, 170 men; French, 4 officers, 105 men; Italians, 1 officer, 30 men; Japanese, 14 officers, 273 men; Netherlands, 1 officer, 76 men.

In Tientsin: United States, 38 officers, 910 men; British, 24 officers, 707 men; French, 20 officers, 945 men; Japanese, 40 officers, 666 men.

In Shanghai: British, 1 officer, 30 men; French, 1 officer, 91 men; Japanese, 6 officers and 123 men.

In Chingwangtao: British, 1 officer, 19 men; French, 38 men.

In Shanghai: Foreign police in foreign settlement.

In Tongshan: British, 4 officers, 142 men.

In Leichwang: British, 4 officers, 142 men.

In Fongtai: French, 1 officer, 40 men.

In Laofa: French, 1 officer, 20 men.

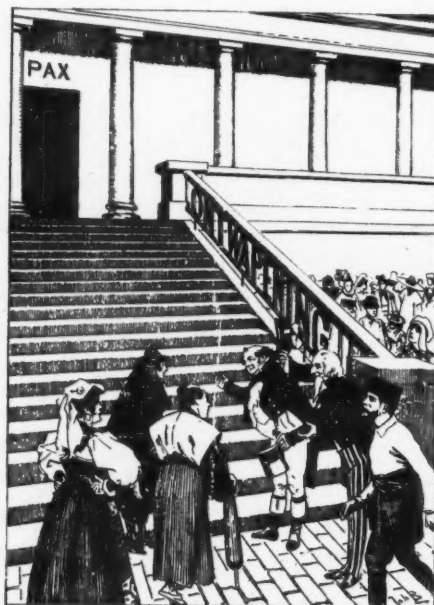
In Weihaiwei: British, 3 officers, 60 men.

In Yangtsun: Japanese, 1 officer, 50 men.

In Tangku: French, 35 men; Japanese, 5 men.

Japanese forces are also maintained in Manchuria and Shantung, while a small garrison has been kept in Hankow in recent years. One full division is usually maintained in Manchuria by Japan. In Shantung there are four battalions, of an average numerical strength of 525 men, stationed along the Tsingtao-Tsinan Railway, headquarters being at Tsingtao, Kaomi, Fangtze and Tsinanfu. There is also a force of Japanese gendarmerie in Shantung. Mr. Hanihara of the Japanese delegation

[Dutch Cartoon]



—De Amsterdammer, Amsterdam.

#### DISARMAMENT

CHORUS OF POWERS: "After you!"



[Dutch Cartoon]



—De Notenkraaker, Amsterdam

## THE TUB SEEMS RATHER SMALL

Where the ancient reprobate (Mars) is supposed to be getting a thorough bath

says that Japan has 4,500 troops in China, all told. The total of American troops in China is given as 1,464 men and 60 officers; Great Britain, 1,006 men and 38 officers; France, 1,214 men.

## DR. SZE'S ADDRESS

The full text of Dr. Sze's speech, exclusive of his readings of statistics, is as follows:

Gentlemen: At the session held on Nov. 21 the conference declared that it was the firm intention of the powers represented to respect the sovereignty, the independence and the territorial and administrative integrity of China; and to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable Government.

It will have already appeared that, in application of these two principles, China is asking not merely that existing treaty or conventional limitations upon the autonomous and unembarrassed exercise by her of her territorial and administrative powers should be removed as rapidly and as completely as circumstances will justify, but that conditions shall be corrected which now constitute a continuing violation of her rights as an independent State. The prop-

osition that these limitations upon the exercise of her sovereign powers should be progressively removed was stated in Principle No. 5 which the Chinese delegation presented to the conference on Nov. 16, and applications are seen in the propositions that have been made to the conference with reference to extraterritorial rights and to tariff autonomy.

A specific illustration of a violation of China's sovereignty and territorial and administrative integrity, as distinguished from limitations based upon agreements to which China has been a party, was presented to the conference for correction last week and had to do with the maintenance of foreign postal services upon Chinese soil.

This morning it is the desire of the Chinese delegation to bring before you, for correction in accord with the controlling principles which you have already affirmed, several other instances of subsisting violations of China's sovereignty and territorial and administrative integrity.

These relate to the maintenance upon the Chinese territory, without China's consent and against her protests, of foreign troops, railway guards, police boxes and electrical wire and wireless communication installations.

I shall not exhaust your patience by enumerating all of the specific instances of these violations, for I shall not ask merely that each of these violations be specifically

discountenanced, for this would not give complete relief to China since it would not prevent other similar violations in the future. In behalf of the Chinese Government, I therefore ask that this conference declare, as a comprehensive proposition, that no one of the powers here represented—China, of course, not included—shall maintain electrical communication installations, or troops, or railway guards, or police boxes upon Chinese soil, except in those specific cases in which the powers desiring to do so may be able to show by affirmative and preponderant evidence and argument that it has a right so to do such as can be defended upon the basis of accepted principles of international law and practice and with the consent of the Chinese Government.

No argument by me is needed to show that this conference stands committed to the declaration which I now ask, by the principles which were adopted on Nov. 21. Should any one of you consider the possibility of foreign troops or railway guards, or police boxes, or electrical communication installations being maintained upon the soil of your own country without the consent of the Government which you represent, your feelings of justice and your sense of the dignity due to your own State would make evident to you the propriety of the joint declaration which China now asks you to make in her behalf. The proposition surely stands self-evident that, if a nation asserts a right to maintain troops or guards, or police, or to erect and operate systems of communication upon the soil of another State, whose sovereignty and independence and territorial and administrative integrity it has just solemnly affirmed and obligated itself to respect, upon that State should lie a heavy burden of proof to justify so grievous an infringement of the rights of exclusive territorial jurisdiction which international law as well as a general sense of international comity and justice recognize as attaching to the status of sovereignty and independence.

In behalf of my Government and the people whom I represent, I therefore ask that the conference give its approval to the following proposition:

Each of the powers attending this conference hereinafter mentioned, to wit, the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands and Portugal, severally declare that, without the consent of the Government of China, expressly and specifically given in each case, it will not station troops or railway guards or establish and maintain police boxes, or erect or operate electrical communication installations, upon the soil of China; and that if there now exists upon the soil of China such troops or railway guards or police boxes or electrical installations without

[American Cartoon]



—Atlanta Constitution

THE MODERN MUSKETEERS  
How really to end war!

China's express consent they will be at once withdrawn.

### JAPAN'S SOLDIERS IN CHINA

In an executive session of the committee on Nov. 30, Mr. Masanao Hanihara, Japanese Vice Minister for Foreign Affairs, presented a carefully prepared statement in which he explained and defended the presence of

[American Cartoon]



—Detroit News

MORE UNEMPLOYMENT?

[American Cartoon]



—Central Press Association, Cleveland

HE CAN'T FIND A PRECEDENT ANYWHERE  
IN HISTORY TO PARALLEL THIS EVENT

4,500 Japanese soldiers in China, including 2,700 in Shantung. Mr. Hanihara denied "most emphatically" that Japan had ever entertained any

[American Cartoon]



—© New York Tribune

"Everywhere that Mary went the lamb was  
sure to go"

aggressive purpose or any desire to encroach "illegitimately" upon Chinese sovereignty in sending her garrisons to China—notably to Hankow, North China, along the Chinese Eastern Railway, to Shantung and Manchuria—and made it plain that Japan was willing to agree to the withdrawal of such troops as were no longer necessary, but did not consider the time ripe for withdrawing her forces from the leased zone along the South Manchurian Railway. Dr. Sze, on behalf of China, stated that his delegation would not attempt to answer the Japanese memorandum until it had had full opportunity to study it. Subsequently the Chinese delegation issued to the press a statement of the Chinese Government's attitude toward the presence of foreign troops in China, tracing the causes that led to their establishment there and giving detailed reasons why they should be withdrawn.

Secretary Hughes announced officially at this session that China and Japan had agreed to discussions looking to the settlement of the Shantung controversy and the leased territory of Kiao-Chau. It was further announced that Secretary Hughes and Arthur J. Balfour, head of the British delegation, had tendered their good offices to the delegates of the two countries in dispute, and that they had been accepted. Here is the official communique covering these developments:

The Committee on Far Eastern and Pacific Affairs met Nov. 30, 1921, in the Pan-American Building. All the delegates were present except Ambassador Shidehara and Signor Meda. Mr. Hanihara for the Japanese delegation presented the following statement:

#### JAPAN'S ATTITUDE IN REGARD TO THE FOREIGN GARRISONS IN CHINA

"The Japanese delegation wishes to explain, as succinctly as possible, why and how the Japanese garrisons in various parts of China have come to be stationed there. At the outset, however, I desire to disclaim most emphatically that Japan has ever entertained any aggressive purposes or any desire to encroach illegitimately upon Chinese sovereignty in sending or maintaining these garrisons in China.

"1. Japanese railway guards are actually maintained along the South Man-



churian Railway and the Shantung Railway.

"With regard to the Shantung railway guards, Japan believes that she has on more than one occasion made her position sufficiently clear. She has declared and now reaffirms her intention of withdrawing such guards as soon as China shall have notified her that a Chinese police force has been duly organized and is ready to take over the charge of the railway protection.

"The maintenance of troops along the South Manchurian Railway stands on a different footing. This is conceded and recognized by China under the Treaty of Peking of 1905. (Additional agreement, Art. II.) It is a measure of absolute necessity under the existing state of affairs in Manchuria—a region which has been made notorious by the activity of mounted bandits. Even in the presence of Japanese troops those bandits have made repeated attempts to raid the railway zone. In a large number of cases they have cut telegraph lines and committed other acts of ravage.

"Their lawless activity on an extended scale has, however, been efficiently checked by Japanese railway guards, and general security has been maintained for civilian residents in and around the railway zone. The efficiency of such guards will be made all the more significant by a comparison of the conditions prevailing in the railway zone with those prevailing in the districts remote from the railway. The withdrawal of railway guards from the zone of the South Manchurian Railway will no doubt leave those districts at the mercy of bandits, and the same conditions of unrest will there prevail as in remote corners of Manchuria. In such a situation it is not possible for China to forego the right, or rather the duty, of maintaining railway guards in Manchuria, whose presence is duly recognized by treaty.

"2. Toward the end of 1911 the first revolution broke out in China and there was complete disorder in the Hupeh district, which formed the base of the revolutionary operations. As the lives and property of foreigners were exposed to danger, Japan, together with Great Britain, Russia, Germany and other principal powers, dispatched troops to Hankow for the protection of her people. This is how a small number of troops have come to be stationed at Hankow. The region has since been the scene of frequent disturbances. There was recently a clash between the North and South at Changsha, pillage by troops at Ichang and a mutiny of soldiers at Hankow. Such conditions of unrest have naturally retarded the withdrawal of Japanese troops from Hankow.

"It has never been intended that these troops should remain permanently at Hankow, and the Japanese Government have been looking forward to an early opportunity of effecting complete withdrawal of the Hankow garrison. They must be assured, however, that China will immediately

take effective measures for the maintenance of peace and that she will fully assume the responsibility for the damage that may be or may have been done to foreigners.

"3. The stationing of the garrisons of foreign countries in North China is recognized by the Chinese Government under the protocol relating to the Boxer revolution in 1900. Provided there is no objection from the other countries concerned, Japan will be ready, acting in unison with them, to withdraw her garrison as soon as the actual conditions warrant it.

"4. The Japanese troops scattered along the lines of the Chinese Eastern Railway have been stationed in connection with an interallied agreement concluded at Vladivostok in 1919. Their duties are to establish communication between the Japanese contingents in Siberia and South Manchuria. It goes without saying, therefore, that these troops will be withdrawn as soon as the evacuation of Siberia by the Japanese troops is effected.

"MEMORANDUM—At the present time Japan maintains in China proper approximately 4,500 troops, located as follows:

"At Tientsin, two battalions, approximately 1,200 men.

"At Hankow, one battalion, approximately 600 men.

"In Shantung: At Tsinan, two companies, approximately 300 men; along the Tsinan-Tsing-tao railway and at Tsing-tao, four battalions, approximately 2,400 men.

"Total, 4,500 men.

"STATEMENT REGARDING THE MAINTENANCE OF JAPANESE POLICE IN MANCHURIA AND THE TREATY PORTS OF CHINA:

"In considering the question of Japanese consular police in China, two points must be taken into account:

"1. Such police do not interfere with Chinese or other foreign nationals. Their functions are strictly confined to the protection and control of Japanese subjects.

"2. The most important duties with which the Japanese police are charged are: First, to prevent the commission of crimes by Japanese, and, second, to find and prosecute Japanese criminals when crimes are committed.

"In view of the geographical proximity of the two countries, it is natural that certain disorderly elements in Japan should move to China and, taking advantage of the present conditions in that country, should there undertake unlawful activities. When these lawless persons are caught in the act of crime by the Chinese police, it is not difficult for that police force to deal with the case. The culprits are handed over as early as possible to the Japanese authorities for prosecution and trial. But when the criminals flee from the scene of their acts, it is in many cases hard to discover who committed the crimes and what were the causes and circumstances that led up to their commission. This is more dif-



[American Cartoon]



—Central Press Association, Cleveland  
WHAT WILL THE HATCHING BE?

ficult for the Chinese authorities, as they have no power to make domiciliary visits to the homes of foreigners, who enjoy extra-territorial rights, or to obtain judicial testimony in due form from such foreigners.

"Without the full co-operation of the Japanese police, therefore, the punishment of crime is, in a great many cases, an impossibility, and those who are responsible for lawbreaking escape trial and punishment.

"This tendency is especially evident in Manchuria, in which region hundreds of thousands of Japanese are resident. In places where the Japanese police are stationed there are far fewer criminal cases

among Japanese than in places without Japanese police. Lawless elements constantly move to districts beyond the reach of Japanese police supervision.

"Apart from the theoretical side of the question, it will thus be observed that the stationing of Japanese police in the interior of China has proved to be of much practical usefulness in the prevention of crimes among Japanese residents, without interfering with the daily life of the Chinese or of other foreign nationals. The Japanese policing provides a protection for the Chinese communities which at present their own organization fails to provide.

"The Japanese delegation is in possession of knowledge and information as to the actual conditions prevailing in China, and especially in Manchuria. However, it is unnecessary to go into details at the present stage."

Mr. Sze, on behalf of the Chinese delegation, stated that he would reserve the right to answer in detail the Japanese statements after he had had an opportunity of studying them.

The committee discussed the matter of wireless stations in China and decided to refer it to the Subcommittee on Draft, to report their recommendations as to the expression of the sense of the full committee with respect to these stations, with authority to include in their recommendation such suggestion for the constitution of special committees of experts in relation to any phase of the subject as may be deemed advisable.

The Committee on Draft is composed of the following members of the delegations: United States of America, Senator Root; Belgium, Baron Cartier, with M. Cattier as alternate; British Empire, Sir Auckland Geddes, Sir John Jordon or Mr. Lampson as alternates, and Mr. Malkin as drafting adviser; China, Mr. Koo; France, M. Viviani; Italy, Ambassador Ricci; Japan, Mr. Hanihara; Netherlands, Jonkheer Van Karnebeek; Portugal, Viscount d'Alte.

It was stated to the meeting by the Chairman that Mr. Hughes and Mr. Balfour had offered their good offices to the representatives of China and Japan in the suggestion that there should be conversations between these representatives looking to the settlement of the questions relating to Shantung and the leased territory of Kiao-Chau, that these good offices were accepted by the representatives of both Governments, and that the conversations were to proceed accordingly, the first meeting for that purpose to be held Thursday afternoon.

In order to provide opportunity for the special committees to continue their work, the meeting of the full committee was adjourned until Friday, Dec. 2.

The Draft Committee, headed by Mr. Root, met on Dec. 2 and discussed the withdrawal of foreign troops

[American Cartoon]



—Sioux City Tribune  
JUST CAN'T GET AWAY FROM IT!

from China; the subject was referred to a special subcommittee, with instructions to report definite recommendations to the committee at a later date.

#### LEASED TERRITORIES

Another phase of the complex Chinese problem was discussed by the Far East Committee at its session of Dec. 3, namely, the leased territories still held and administered by Japan, Great Britain and France. Dr. Wellington Koo, the Chinese representative, opened the debate by summarizing the causes which had led to the granting of these leased areas, and, after showing that the Shantung lease to Germany was really the *causa causans* of the other concessions, declared that the changed conditions following Germany's defeat now argued in favor of the withdrawal of all the leases.

Dr. Koo was followed by M. Viviani, speaking for France; Mr. Hanihara, spokesman for Japan, and Mr. Balfour, representing Great Britain, all of whom expressed the willingness of their Governments to withdraw from certain of the leased areas held by them. France was willing to withdraw from Kwang-chouan, in Kwangtung Province; Great Britain from Wei-hai-Wei, in South Manchuria, and Japan from Shantung. The British delegate, however, made it plain that Great Britain was unwilling to withdraw from Kowloon, protecting Hongkong, and Mr. Hanihara made it equally clear that Japan was unwilling to relinquish Port Arthur, her concession in Manchuria. Even this partial agreement, however, was considered both by the Chinese delegation and American Government officials as of "the greatest importance"

[American Cartoon]



—New York Times

#### A SHOCK TO THE FAMILY

"Hey, Mom! Look what Pop's got!"

in the concerted movement toward restoring China's sovereignty.

The full history of the leased areas, which Dr. Koo referred to but briefly, goes back to the forcible occupation by Germany of Shantung Province in retaliation for the murder of two German missionaries in 1906. This constrained China on March 6, 1898, to grant Germany on a ninety-nine-year lease the bay and territory of Kiao-Chau, the finest harbor on the coast of China. Besides this concession, totaling in land area about 195 square miles, the construction of two lines of railway in Shantung was sanctioned. A similar agreement, dated March 27, 1898, leased to Russia for twenty-five years Port Arthur and Talienwan (Dalny). Kwang-chouan, in Kwangtung, was leased to France on April 22, 1898, and Wei-hai-Wei, an area of 285 square miles, to Great Britain on July 1, 1898. Kowloon, which had been ceded to Great Britain as far back as 1860, was extended in 1898.

China lost Port Arthur in the Sino-

[American Cartoon]



—The Deseret News, Salt Lake City, Utah

"Lord God of Hosts, be with us yet,  
Lest we forget, lest we forget"

[Drawn by Cleon Larson, a Salt Lake City school boy]

Japanese war of 1904, but Germany, France and Russia, moving at the appeal of Russia, who held it on a twenty-five-year lease, compelled Japan to return it to China. Shortly afterward Russia took it over, and made it a Russian fortress, with Dalny, now called Dairen, as a commercial port. Great Britain then seized Wei-hai-Wei to compensate herself strategically for the Russian occupation of Port Arthur. Japan, as a result of the Russo-Japanese war, took over Port Arthur, succeeding to the Russian leasehold, and later extended the term of its duration, together with that of the railway concession.

Because of the threat involved to Japan, Great Britain has never been able to fortify Wei-hai-Wei, which

faces Port Arthur, commanding with the latter port the entrance to the Gulf of Pechihli, which controls Peking and vast hinterlands. At the present time British law is administered in the concession, and the Chinese there owe allegiance to Great Britain rather than to China. It comprises the Islands of Liukung, all the islands in the Bay of Wei-hai-Wei, and a belt of land ten miles wide along the entire coast line. In addition to the leased territory there is a sphere of influence extending over an area of 1,500 square miles of Shantung Province. The concession is of little strategic importance to Great Britain, because of her inability to fortify it.

The case is different with Kowloon, the other British concession. This strip of territory on the mainland opposite Hongkong had its 1860 area considerably extended in 1898, which added the peninsula south of a line drawn between Deep Bay and the Mirs Bay, together

with the Islands of Lantau and Lammas. The whole concession now covers an area of 390 square miles, including the Island of Hongkong, which embraces twenty-nine square miles, and has a population of 436,000, of whom from 8,000 to 9,000 are Europeans. The total tonnage entering Hongkong Harbor in 1918 was 8,543,496 tons, comprising 21,803 vessels. The British objection to withdrawing from the Kowloon concession was based on the view that this territory was necessary to the protection of Hongkong.

A similar view was expressed by the Japanese in the case of Port Arthur, in Southern Manchuria. Mr. Hanihara made it clear that this region was too closely bound up with



Japan's national safety to consider relinquishing "the important rights she has lawfully acquired and at no small sacrifice." As to Kwangchouan, M. Viviani made it clear that France was willing to withdraw from this concession as part of a collective agreement and in common action with other powers. Kwangchouan, or Kwangchow, a mere strip of territory on the coast of Kwangtung, taking in the Islands of Tunghai and Nanchou, is under the administration of the Governor of French Indo-China.

#### SUBSTANCE OF THE SPEECHES.

The text of the official communique issued by the committee read as follows:

The Committee on Pacific and Far Eastern Questions met Dec. 3 in the Pan-American Building. All the delegates were present except Ambassador Shidehara and Baron Kato. The committee discussed the question of leased areas in China.

Mr Koo stated that the existence of the leased territories in China was due in the original instance to the aggressions of Germany, whose forcible occupation of part of Shantung Province constrained the Chinese Government to grant a lease for ninety-nine years of the Bay of Kiao-Chau in the Shantung Province on March 6, 1898. This was closely followed by a demand on the part of Russia for the lease of the Liaotung Peninsula, in which are found the ports of Port Arthur and Dalny, along with the demand for the right of building a railway to be guarded by Russian soldiers traversing the Manchurian Province from Port Arthur and Dalny to join the Trans-siberian Railroad and Vladivostok. This was later the cause of the Russo-Japanese War, which resulted in 1905 in the transfer of those territories to Japan with the consent of China. Following the lease of Kiao-Chau Bay to Germany and that of Port Arthur and Dalny to Russia, France obtained from China on April 22, 1898, the lease of Kwangchouan on the coast of Kwangtung Province for ninety-nine years, and Great Britain the lease also for ninety-nine years of an extension of Kowloon and the adjoining territory and waters close to Hongkong on June 9, 1898, and the lease "for so long a period as Port Arthur should remain in the occupation of Russia" of the port of Wei-hai-Wei on the coast of Shantung on July 1, 1898. Both Great Britain and France based their claims for the leases on the ground of the necessity

of preserving the balance of power in the Far East.

If he might be permitted to go into the history of the question, he might add that while the measures and extent of control by the lessee powers over the lease territories vary in different cases the leases themselves are all limited to a fixed period of years, expressly or impliedly; they are not transferable to a third power without the consent of China. Though the exercise of administrative rights over the territories leased is relinquished by China to the lessee power during the period of the lease, the sovereignty of China over them is reserved in all cases. As is stated in the beginning, these leaseholds were granted by China with the sole purpose of maintaining the balance of power in the Far East, not so much between China and the other powers, but between other powers themselves concerning China. These are all creatures of compact different from cessions both in fact and in law.

Twenty years had elapsed since then and conditions had entirely altered. With the elimination of the German menace, in particular, an important disturbing factor had been removed. Russia had equally disappeared from the scene, and it could be hoped with confidence that she would eventually return, not as the former aggressive power, but as a great democratic nation. The misrule of the Manchu dynasty, which had aggravated the situation, had also disappeared. The very fact that this conference was being held at Washington for the purpose of arriving at a mutual understanding on the part of the powers indicates an added reason for dispensing with the necessity of maintaining the balance of power in the Far East, which was the principal ground of the original claims of the different powers. In the absence of that necessity, the Chinese delegation believed that the time had come for the interested powers to relinquish their control over the territories leased to them.

The existence of such leased territories had greatly prejudiced China's territorial and administrative integrity because they were all situated upon the strategical points along the Chinese territory. These foreign leaseholds had besides hampered her work of national defense by constituting in China a virtual imperium in imperio, that is, an empire within the same empire. There was another reason which the Chinese delegation desired to point out. The shifting conflict of interests of the different lessee powers had involved China more than once in complications of their own. It would be sufficient to refer here to the Russo-Japanese war, which was caused by the Russian occupation of Port Arthur and Dalny. The Kiao-Chau leasehold brought upon the Far East the hostilities of the European war. Furthermore, some of those territories were utilized with a view to economic domination over the vast adjoining regions as *points*

*d'appui* for developing spheres of interest to the detriment of the principle of equal opportunity for the commerce and industry of all nations in China. In the interest not only of China but of all nations, especially for the peace of the Far East, the Chinese delegation asked for the annulment and an early termination of these leases. But pending their termination they would be demilitarized, that is, their fortifications dismantled and the lessee nations to undertake that they will not make use of their several leased areas for military purposes, either as naval bases or for military operations of any kind whatsoever.

The Chinese delegates were, however, fully conscious of the obligations which would fall upon China after the termination of the leaseholds. The Chinese Government would be prepared to respect and safeguard the legitimately vested interests of the different powers within those territories.

#### ATTITUDE OF FRANCE

Mr. Viviani spoke for France as follows:

"After having taken note of the request made by the Chinese delegation, Dec. 1, 1921, the French delegation states that the Government of the republic is ready to join in the collective restitution of territories leased to various powers in China, it being understood that, this principle being once admitted and all private rights being safeguarded, the conditions and time limits of the restitution shall be determined by agreement between the Chinese Government and each of the Governments concerned."

#### JAPAN'S DECLARATION

Mr. Hanihara stated the position of Japan as follows:

"The leased territories held by Japan at present are Kiao-Chau and Kwangtung Province, namely—Port Arthur and Dairen. It is characteristic of Japan's leased territories that she obtained them, not directly from China, but as successor to other powers at considerable sacrifice in men and treasure. She succeeded Russia in the leasehold of Kwangtung Province with the express consent of China, and she succeeded Germany in the leasehold of Kiao-Chau under the Treaty of Versailles.

"As to Kiao-Chau, the Japanese Government has already declared on several occasions that it would restore that leased territory to China. We are prepared to come to an agreement with China on this basis. In fact, there are now going on conversations between representatives of Japan and China regarding this question, initiated through the good offices of Mr. Hughes and Mr. Balfour, the result of which it is hoped will be a happy solution of the problem. Therefore, the question of the leased territory of Kiao-Chau is one which properly calls for separate treatment.

"The only leased territory, therefore, which remains to be discussed at the con-

ference, so far as Japan is concerned, is Kwangtung Province, namely, Port Arthur and Dairen. As to that territory, the Japanese delegates desire to make it clear that Japan has no intention at present to relinquish the important rights she has lawfully acquired and at no small sacrifice. The territory in question forms a part of Manchuria—a region where, by reason of its close propinquity to Japan's territory more than anything else, she has vital interests in that which relates to her economic life and national safety.

"This fact was recognized and assurance was given by the American, British and French Governments at the time of the formation of the international consortium that these vital interests of Japan in the region in question shall be safeguarded.

"In the leased territory of Kwangtung Province there reside no less than 65,000 Japanese, and the commercial and industrial interests they have established there are of such importance and magnitude to Japan that they are regarded as an essential part of her economic life.

"It is believed that this attitude of the Japanese delegation toward the leased territory of Kwangtung is not against the principle of the resolution of Sept. 21."

#### ANALYSIS OF BRITISH ATTITUDE

Mr. Balfour pointed out that leased territories, though nominally all described under the same title, were held under very different and varying circumstances. The Japanese delegation had already indicated that Shantung and Manchuria, respectively, were held on entirely different bases and must be considered from different points of view. Great Britain had two different kinds of leases, and these, as he thought the Chinese delegation itself would admit, must be held to stand on a different footing one from the other. Mr. Balfour referred first to the leased territory of the Kowloon extension. Why, he asked, was it considered necessary that the leased territory of Kowloon should come under the same administration as Hongkong? The reason was that without the leased territory, Hongkong was perfectly indefensible and would be at the mercy of any enemy possessing modern artillery. He hoped that he would carry the conference with him when he asserted that the safeguarding of the position of Hongkong was not merely a British interest but one in which the whole world was concerned. He was informed that Hongkong was easily first among the ports of the world, exceeding in this respect Hamburg before the war, Antwerp and New York. Mr. Balfour then read the following extract from the United States Government Commercial Handbook of China:

"The position of the British colony of Hongkong in the world's trade is unique and without parallel. It is a free port except for a duty on wine and spirits; it has rela-

tively few important industries; it is one of the greatest shipping centres in the world; it is the distributing point for all the enormous trade of South China, and about 30 per cent. of the entire foreign commerce of China. The conditions of Hongkong in its relations to commerce are in every way excellent, and the Government centres all its efforts on fostering trade, while the future is being anticipated by increased dock facilities, the dredging of the fairways and other improvements. The merchants, both native and foreign, give special attention to the assembling and transshipping of merchandise to and from all the ports of the world, and with the world-wide steamship connections at Hongkong the necessity of retransshipment at other ports is reduced to a minimum. Hongkong is the financial centre of the East."

Mr. Balfour said he could not add anything to this perfectly impartial testimony to the conditions of absolute equality of nations under which the affairs of Hongkong are administered and the motives on which they are conducted. The lease of the Kowloon extension had been obtained for no other reason except to give security to the Port of Hongkong, and it would be a great misfortune if anything should occur which was calculated to shake the confidence of the nations using this great open port in its security. He hoped he need say no more to explain that the Kowloon extension was in a different category and must be dealt with in a different spirit from those leased territories which had been acquired for totally different motives.

Mr. Balfour then passed to the question of Wei-hai-wei. The acquisition by Great Britain of this lease had been part of the general movement for obtaining leased territories in 1898, in which Russia, Germany and France, as well as Great Britain, had been concerned. The motive which had animated the Germans in acquiring Kiaochau had been largely to secure economic domination. The motive of the British Government, on the other hand, in acquiring the lease of Wei-hai-wei had been connected with resistance to the economic domination of China by other powers; in fact, it had been based on a desire for the maintenance of the balance of power in the Far East, with a view to the maintenance of the policy of the open door, and had been intended as a check to the predatory action of Germany and Russia. Mr. Balfour laid emphasis on the fact that the convention of July 1, 1898, confirming the lease, gave no economic rights or advantages to Great Britain. There had been no question of its being a privileged port of entry for British commerce, nor for the establishment of British commercial rights to the exclusion or diminution of the rights of any other power. In fact, on April 20, 1898, Great Britain had announced that "England will not construct any

[American Cartoon]



—San Francisco Chronicle

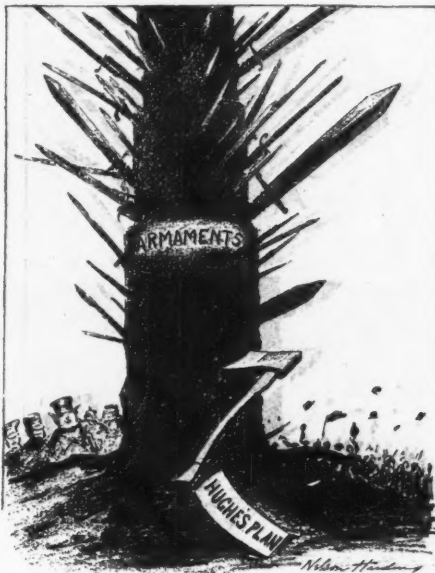
#### THE KEYNOTE

railroad communication from Wei-hai-wei and the district leased therewith into the interior of the province of Shantung." As regards the attitude of the British Government to the request of the Chinese delegation for an abrogation of these leases, Mr. Balfour stated that he had very little to add to, and he did not wish to qualify, the conditions contained in the statement just made by M. Viviani, which represented very much the spirit in which the British Government approached the question. The British Government would be perfectly ready to return Wei-hai-wei to China as part of a general arrangement intended to confirm the sovereignty of China and to give effect to the principle of the open door. This surrender, however, could only be undertaken as part of some such general arrangement, and he spoke with his Government behind him when he said that on these conditions he was prepared to give up the rights which had been acquired. The British Government's policy was to make use of the surrender of Wei-hai-wei to assist in securing a settlement of the question of Shantung. If agreement could be reached on this question, the British Government would not hesitate to do their best to promote a general settlement by restoring Wei-hai-wei to the Central Government of China.

After he had heard the sentiments expressed by M. Viviani, Mr. Balfour and Mr. Hanihara, Mr. Koo expressed on behalf of the Chinese delegation his sincere thanks to them for the spirit which had guided



[American Cartoon]



—Brooklyn Eagle

WELL, THERE'S THE AXE!

them, and he hoped that this question would be discussed at another opportunity.

#### CHINA FIRM ON LEASEHOLDS

At the session of the committee held on Dec. 7 two resolutions affecting the sovereignty of China were unanimously adopted: one giving over to Chinese administration all unauthorized radio stations, and the other pledging the powers to respect China's rights as a neutral in case of "future wars to which she is not a party." The most important feature of the session, however, was the memorandum presented by Dr. Wellington Koo on foreign leaseholds. At the session of Dec. 3 the powers had offered to relinquish their leaseholds, with certain exceptions; Dr. Koo, replying specifically to these exceptions, was especially emphatic regarding South Manchuria. Japan's possession of Port Arthur and the Kwangtung territory, he pointed out, rested upon the Russo-Japanese war and the original lease, which will expire in 1925. The continuation of that lease for ninety-nine years, he said, was ob-

tained by Japan in 1915 as part of the famous twenty-one demands, and its legality, like that of all the other demands, "remains one of the gravest outstanding questions between China and Japan."

The official communique of the session was in part as follows:

The Committee on Pacific and Far Eastern Questions met at 11 o'clock this morning, Dec. 7, in the Pan American Building. All the delegates were present except Ambassador Shidehara and Senator Underwood. The following report of the subcommittee on draft in regard to radio stations in China was submitted:

"The subcommittee on draft begs to report the following resolution regarding radio stations in China:

"The representatives of the powers hereinafter named participating in the discussion of Pacific and Far Eastern questions in the Conference for Limitation of Armament, to wit: The United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands and Portugal, have resolved:

"1. That all radio stations in China, whether maintained under the provisions of the international protocol of Sept. 7, 1901, or in fact maintained in the grounds of any of the foreign legations in China, shall be limited in their use to sending and receiving Government messages and shall not receive or send personal or unofficial messages, including press matter, provided, however, that in case all other telegraphic communication is interrupted, then upon official notification, accompanied by proof of such interruption to the Chinese Ministry of Communications, such stations may afford temporary facilities for commercial, personal or unofficial messages, including press matter, until the Chinese Government has given notice of the termination of the interruption.

"2. All radio stations operated within the territory of China by a foreign Government or the citizens or subjects thereof under treaties or concessions of the Government of China shall limit the messages sent and received by the terms of the treaties or concessions under which the respective stations are maintained.

"3. In case there be any radio station maintained in the territory of China by a foreign Government or citizen or subjects thereof without the authority of the Chinese Government, such station and all the plant apparatus and material thereof shall be transferred to and taken over by the Government of China to be operated under the direction of the Chinese Ministry of Communications upon fair and full compensation to the owners for the value of the installation, as soon as the Chinese Ministry of Communications is prepared to

operate the same effectively for the general public benefit.

"4. If any questions shall arise as to the radio stations in leased territories, in the South Manchuria Railway zone or in the French concession at Shanghai, they shall be regarded as matters for discussion between the Chinese Government and the Government concerned.

"5. The owners or managers of all radio stations maintained in the territory of China by foreign powers or citizens or subjects thereof shall confer with the Chinese Ministry of Communications for the purpose of seeking a common arrangement to avoid interference in the use of wave lengths by wireless stations in China, subject to such general arrangements as may be made by an international conference convened for the revision of the rules established by the International Radio Telegraph Convention signed at London, July 5, 1912."

#### DR. KOO'S STATEMENT

The committee further discussed the question of leased territories in China. Dr. Koo made the following statement:

"At the meeting of the Committee on Pacific and Far Eastern questions on Dec. 3, Mr. Hanihara read a statement outlining the position of Japan with reference to the leased territory of Kiao-Chau and Kwangtung Peninsula, namely, Port Arthur and Dalny. The Chinese delegation desire to offer a few observations on the statement in the hope that the position of China on this question may be equally well understood. The declaration that Japan succeeded Germany in the leasehold of Kiao-Chau under the Treaty of Versailles is obviously one-sided, and China, not being a party to that treaty, cannot be expected to subscribe to it.

"It is, however, gratifying to note the statement that Japan obtained her leased territories in China not directly from her but from other powers at considerable sacrifice in men and treasure, because this assurance appears to confirm the views of the Chinese delegation that the maintenance of foreign leased territories in China jeopardizes the peace in the Far East. It will be recalled that Russia's possession of Port Arthur and Dalny and Germany's possession of Kiao-Chau eventually brought two wars on Chinese territory and resulted in the installation of Japan herself in these leased areas.

"As to the leased territory of Kwangtung Province, namely, Port Arthur and Dalny, its original term will expire in 1925, and while an extension to ninety-nine years was obtained by Japan in 1915, it was obtained in such circumstances that the dispute about its validity remains one of the gravest outstanding questions between China and Japan.

"Both Port Arthur and Dalny are situated in Manchuria, which is an important

[American Cartoon]



—San Francisco Chronicle

#### THE TURNSTILE

part of Chinese territory. Not only does the national safety of China rely upon the safeguarding of Manchuria as an integral portion of the Chinese Republic because these three eastern provinces, as the Chinese call Manchuria, have been the historic road of invasion into China throughout the past centuries, but also the security of the economic life of the Chinese people depends in a very vital measure upon the conservation and development with the surplus capital of the world of the natural and agricultural resources in Manchuria, a region where today an abundance of raw material and food supplies is already accessible to all nations, on fair terms and through the normal operation of economic law of supply and demand. Moreover, Manchuria is an important outlet for the surplus population from the congested provinces in other parts of China.

"In view of the foregoing fact, it is clear that China has such truly vital interests in Manchuria that the interests of any foreign power therein, however important they may be in themselves, cannot compare with them. The fact of close propinquity of Manchuria to Korea, if it justifies any claim to consideration, can be equitably appealed to only on the condition of reciprocity.

"As to the statement that assurance was given by the American, British and French Governments at the time of the formation of the international consortium that the vital interests of Japan in Manchuria shall be safeguarded, the Chinese delegation do

[American Cartoon]



—Milwaukee Journal

THE ALTOGETHER TOO FRIENDLY COP!

not feel in a position, since China was not consulted at the time, to express an opinion as to the question of its accuracy. Should such assurance have been given, they could not, however, conceal their feeling that it cannot be reconciled with the principle which was adopted by the conference on Nov. 21, of respect for the sovereignty, the independence and the territorial and administrative integrity of China.

"As to the leased territory of Kowloon, leased to Great Britain, much is to be said for the importance of Hongkong to the trade of nations and for the way in which its facilities are made accessible to the traders of the world, and while there may be a necessity to provide for the protection of the Hongkong harbor in the interests of such trade, the retention of Kowloon may not necessarily be, in the view of the Chinese delegation, the sole solution of this problem.

"In making the foregoing statement, however, the Chinese delegation have desired only to make their position clear, and unless the committee wish to continue discussion at this meeting the Chinese delegation desire to reserve for the future further observations on the question of the leased territories." \* \* \*

The proposal of the Chinese delegation that "China's rights as a neutral are to be fully respected in future wars to which she is not a party" was unanimously adopted after a statement made by Dr. Wang as follows:

"The proposition advanced by the Chinese delegation is an obvious one; it is in substance a corollary of the first of the four resolutions adopted by this committee on Nov. 21. This subject would not be presented for discussion except for the fact that in the past China's rights in this respect have been grievously disregarded. I need only refer you to the Russo-Japanese War which, so far as land operations are concerned, was fought wholly upon Chinese soil. Again, at the time of the military expedition against Tsing-tao in the late war, belligerent troops landed at a point 150 miles from the leased territory of Kiaochow.

"It is clear that should similar incidents occur, there would be furnished just cause of complaint by the non-offending belligerent power not only against the offending belligerent power but also against China herself. Furthermore, they would tend to weaken throughout the world the respect due, in time of war, to neutral powers. With these preliminary remarks, I leave this question to the pleasure of this committee."

#### OPEN DIPLOMACY PLEDGED

China's fight for "open diplomacy" was virtually won at the session of Dec. 8, when, after a long debate, a resolution was passed pledging the nine powers not to enter into any agreement or understanding which would impair the force of the four principles on China formulated by Elihu Root. The resolution was offered by Sir Auckland Geddes, British Ambassador to the United States, and was adopted in a slightly modified form.

The discussion of which the resolution was the culmination followed Dr. Wellington Koo's argument in favor of the third point on the full list of China's proposals, viz., the principle that the powers should enter into no agreements without consulting the Chinese Government. Dr. Koo insisted on China's right to be consulted in every such instance. Mr. Balfour, head of the British delegation, took exception to Dr. Koo's demand as far too sweeping, and declared that the Root resolution would cover it. Secretary Hughes pointed out that there might be treaties affecting China, but not adverse to her; he declared that the powers could guarantee that there would be no



more secret engagements, and suggested a reaffirmation of the Root resolution in connection with treaties. Mr. Hanihara, the Japanese delegate, agreed with Mr. Balfour that the proposal of Dr. Koo would put a serious limitation on the sovereignty of the powers, and believed that any unjust or oppressive treaty, from China's point of view, would fall of its own accord under the growing influence of public opinion and international law.

To surmount the difficulty Sir Auckland Geddes proposed the resolution which, with slight modification, was finally adopted. China herself was included in the resolution, in accordance with an amendment offered by the Japanese. Speeches made by Mr. Hanihara for Japan, by M. Viviani for France, by Signor Schanzer for Italy, by Sir Robert Borden for Canada, showed a general feeling that Dr. Koo's resolution was too broad in its scope, and unnecessary, and the final resolution followed the suggestion of Secretary Hughes to reaffirm the intention of the powers to maintain the principle of the Root resolution in regard to treaties.

#### OFFICIAL SUMMARY

The communique issued by the committee read in part as follows:

The Committee on Pacific and Far Eastern Questions met Dec. 8, 1921, at the Pan American Building.

Discussing the third Chinese proposal, Mr. Koo said that the essential principle laid down in Point 3 of the Chinese proposals, which reads as follows, "With a view to strengthening mutual confidence and maintaining peace in the Pacific and the Far East, the powers agree not to conclude between themselves any treaty or agreement directly affecting China or the general peace in these regions without previously notifying China and giving to her an opportunity to participate," is that the Chinese Government should have previous notification of the negotiation of any treaty or agreement which will affect Chinese interests.

Agreements have in the past frequently been made, relating to the Far East, or to China particularly, without participation on the part of China or previous notice to the Chinese Government. In agreements of this kind the nations concerned were presumably

disposing of rights and interests belonging to them, or they were giving mutual promises with regard to action which they would take or from which they would abstain. Taking any one of those agreements by itself, it might be argued that its subject matter was composed entirely of rights, interests and actions of the parties to the agreement.

This kind of agreement falls roughly into two divisions, one being in the nature of mutual engagements to abstain from certain action in special parts of China, the other being engagements for mutual assistance in support of the general interests of all foreign powers in China, or of the special interests claimed by the parties to the agreements.

As to these treaties and agreements, Mr. Koo said he felt that they were all so well known to the members of the committee that the complete enumeration or specific illustrations would be unnecessary.

The first kind of agreement usually was in the nature of an engagement on the part of one contracting party not to seek any railway concessions in one part of China in return for a similar promise on the part of the other contracting parties not to seek railway concessions in another part of China.

At first sight it might seem as if a nation were within its rights in promising to another to forego certain opportunities within a specific region. But any deeper examination of this matter will immediately show that there are a great many objections to such a method of arranging the action of one nation upon the territory of another. In the first place, it involves an incipient national monopoly or preference within the region affected, because the nation which has secured a promise of abstention from one power will then proceed with efforts to secure it from others. By the making of only one agreement, two nations are already backing a system of artificial limitation of economic activities.

The rights of China are involved both because she must wish that all the parts of her territory shall be open on equal terms, or on such terms as she herself shall determine, to foreign capitalists, merchants and residents. As soon as such treaties as the above are made, without consultation with China, her territory is divided into distinct spheres for foreign enterprise. To this she can by no means be indifferent.

The other group of treaties deals with the safeguarding and defending of territorial rights or special interests in the Far East, including or specially mentioning China.

These all have one or more of the following three features:

(1) A declaration that the contracting parties have a special interest in having a pacific state of things guaranteed in the regions of China adjacent to the territories where the contracting powers have rights of sovereignty, protection or occupation, and

[American Cartoon]



—Dayton News

"Why drink from a rain barrel when we have a good well?"

engage to support each other for assuring the peace and security in these regions; or

(2) A declaration to support the independence and integrity of China and the maintenance of the open door for foreign commerce and to aid each other for the defense of the contracting parties' special interests in said regions; or

(3) The recognition by one contracting power to the effect that, since propinquity creates special relations, the other contracting power has special interests in China.

It was clear that any one of the foregoing three features must be of vital interest to China. The assurance of peace and order in any part of Chinese territory was a matter of great concern to China herself. The maintenance of the independence and territorial integrity of China touched the supreme rights of China. As to the recognition of propinquity as creating special interests in China, it was equally obvious that such recognition could not be valid, because special interests on Chinese territory could not be created without the consent of China, and China has always contested the soundness of the doctrine of propinquity.

The effect of all such treaties and agreements has been to maintain in China con-

ditions which intimately affected the rights, prospects and liberty of action of China herself.

It appeared, therefore, that the Chinese Government has an equitable right to be consulted in all agreements which deal with or pretend to deal with the general situation in the Far East, including China. Even if such treaties should be animated by an entirely friendly spirit toward China, yet their bearing is such that they may involve consequences which would impose limitations on Chinese freedom of action, and even they should therefore not be made without consultation with China.

It may, of course, be said that China, not being a party to such treaties, need in no way recognize them nor consider herself bound by any of their provisions. That is legally true, but the political effect produced by a group of such treaties, just as in the case of spheres of influence, tends so to modify the political and economic situation in China that no efforts on the part of her Government can succeed in preserving liberty of action. We must look at the total results of a group of such cases, if the practice should be recognized that China need not be consulted. In that case it is plain that vital interests of China would be affected and the nature of activities and interests within China determined entirely by the action of outside powers. The Chinese Government would then find itself obliged to move along grooves laid down by others without having once had an opportunity of insisting upon her own life needs as seen by herself.

We must, therefore, conclude that though an individual agreement may on the face of it concern only the action of outside powers, if that action relates to China, the Chinese Government cannot remain indifferent to it, because of the effect which continued action in making agreements of this kind would have upon the liberty of movement and development of the Chinese Government and nation itself.

#### MR. BALFOUR'S OBJECTIONS

Mr. Balfour said that \* \* \* with the broad aspirations expressed by Mr. Koo all must be in sympathy. The whole tenor of the discussion on China's affairs proved the desire to remove as far as possible the abnormal conditions existing in China into that normal course of policy which regulates the relations between civilized States. He was not sure, however, that Mr. Koo's method was the best means of achieving this. One of the most important passages in Mr. Koo's speech had referred to spheres of influence. So far as Great Britain was concerned, spheres of influence were a thing of the past. \* \* \* How did spheres of influence come into existence? Because at a certain period of Russian

and German aggression in China, other powers, in order to prevent China from being cut up before their eyes, had to do for each other what China could not do for herself. In China's interest, as well as their own, they had to guard against their exclusion from legitimate opportunities of enterprise. This was due not so much to their own policy as to China's want of policy; not in consequence of their own strength, but of China's weakness.

Mr. Balfour thought it was the hope of all those present to place China in a position to defend her interests, to protect her neutrality, and no longer to be the prey of acquisitive powers. He did not think that this end was likely to be obtained by adopting the broad principle proposed by the Chinese delegation, but rather by dealing with the difficulties that beset China one by one, as the committee was actually doing. \* \* \* He could not see that the position was helped by this principle, which went a good deal beyond any existing principle of international law. He could not believe that the powers would accept it, more especially as China was not in possession of material forces to enable her to carry out any policy outside her own frontiers. \* \* \* Translated into international language, this (Dr. Koo's proposal) would prevent France and Belgium from entering into a defensive treaty of any kind without consulting Germany. All agreed that treaties had been entered into not only in regard to China, but also in regard to other nations, which reflected no credit on those who had concluded them. For this evil the great remedy was publicity. Most of the nations represented at this conference were members of the League of Nations, and were bound to register their treaties with the League. The United States was not a member of the League of Nations, but its Constitution necessitated wide publicity in regard to treaties. That was the real protection for China. The whole world would become the judge of future treaties. \* \* \* Mr. Balfour then quoted the first of the resolutions drafted by Mr. Root and adopted by the committee on Nov. 21, 1921: "To respect the sovereignty, the independence and the territorial and administrative integrity of China." This resolution, if sincerely carried out, would do all that the too wide proposal made by Mr. Koo could effect, without raising the difficulties inseparable from his scheme.

The Chairman, Mr. Hughes, desired to offer a few suggestions in order to find a point upon which the committee might agree. \* \* \* It had been agreed, he said, to respect the integrity and sovereignty of China, and this naturally implied agreement by China to respect the integrity of other powers. Each power should be free to make the agreements necessary for the preservation of its proper interests; any general proposition going so far

as to derogate or limit the right to make agreements relative to fundamental legitimate interests would be one not easily defended. \* \* \* There might be treaties affecting China not adverse to China, but it could be said that there would be no secret agreements. More than that could be done, however; there could be recorded an expression of a desire to be helpful to China in the preservation of the legitimate field of her administrative autonomy, and a reassertion, in connection with Paragraph 1 of the Root resolution, of the determination to do nothing in derogation of the sovereignty, independence and territorial and administrative integrity of China. \* \* \* If there were embodied in the resolution relating to treaties the principles underlying the Chinese proposal, and an expression of the intention to do nothing in derogation of those principles, and to make no treaties or engagements in derogation of the sovereignty and administrative integrity of China, all that China desired would be attained.

The subsequent discussion followed the lines thus indicated. The resolution, as finally passed, was as follows:

That the powers attending this conference, hereinafter mentioned, to wit, the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands and Portugal, declare that it is their intention not to enter into any treaty, agreement, arrangement or understanding, either with one another or individually or collectively with any power or powers, which would infringe or impair the principles which have been declared by the resolution adopted Nov. 21 by this committee [i. e., the Root resolution].

#### THE FOUR-POWER TREATY

The fourth plenary session of the conference, held on Dec. 10, was one of the most important since the conference opened. The conclusion of a new four-power treaty between the United States, Great Britain, France and Japan was announced by Senator Lodge, who read the text of the treaty and delivered an address on its import. The agreement pledged the four powers to respect each other's insular possessions, to accept mediation in case disputes arose over those possessions, and to take concerted action if their rights in these island areas were threatened by any outside power. The compact was to run for ten years, and on its ratification the Anglo-Japanese



Alliance was to be automatically terminated. Senator Lodge stated that the treaty was subject to the signing of a separate compact between the United States and Japan concerning the Pacific mandate islands, especially Yap, and emphasized the fact that the treaty concluded did not affect questions within the domestic jurisdiction of any of the four signatory powers. A reservation note accompanying the treaty embodied these special provisions. Following Senator Lodge's speech of presentation, each of the heads of the respective delegations rose in turn to confirm formally their approval of the new compact, the importance of which was stressed by all. Dr. Sze, the Chinese delegate, expressed China's hearty approval of the agreement, and voiced his hope that a final nine-power agreement, including China, would crown the conference's work in bringing about a final adjustment of conditions in the Far East "on the basis of justice."

Secretary Hughes, as Chairman of the conference, opened the session. His whole address was devoted to a recapitulation of the progress of the conference, working through the Committee on the Far East, toward agreements tending to secure the territorial integrity and sovereignty of China. As he finished his review of each of the decisions reached by the Committee of the Whole (all of which have been given in detail in these pages), he called upon the delegations for a formal confirmatory vote, and the Chairman of each of the nine powers represented on the full committee rose in turn and signified his delegation's assent.

Secretary Hughes then called upon Senator Lodge to address the conference, stating that the Senator had an announcement to make.

#### TEXT OF THE TREATY

Prolonged applause greeted Senator Lodge as he rose and announced the conclusion of a treaty between the four great powers in regard to their

Pacific island possessions. He proceeded to read the text of the new treaty, which, as officially given out three days later, when it was signed, is as follows:

*The United States of America, the British Empire, France and Japan, with a view to the preservation of the general peace and the maintenance of their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean, have determined to conclude a treaty to this effect and have appointed as their plenipotentiaries [here follows list of delegates], who, having communicated their full powers, found in good and due form, have agreed as follows:*

**Article 1**—*The high contracting parties agree as between themselves to respect their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean.*

*If there should develop between any of the high contracting parties a controversy arising out of any Pacific question and involving their said rights which is not satisfactorily settled by diplomacy and is likely to affect the harmonious accord now happily subsisting between them, they shall invite the other high contracting parties to a joint conference to which the whole subject will be referred for consideration and adjustment.*

**Article 2**—*If the said rights are threatened by the aggressive action of any other power, the high contracting parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.*

**Article 3**—*This treaty shall remain in force for ten years from the time it shall take effect, and after the expiration of said period it shall continue to be in force, subject to the right of any of the high contracting parties to terminate it upon twelve months' notice.*

**Article 4**—*This treaty shall be ratified as soon as possible in accordance with the constitutional methods of the high contracting parties, and shall take effect on the deposit of ratifications, which shall take place at Washington, and thereupon the agreement between Great Britain and Japan which was concluded at London on July 13, 1911, shall terminate.*

*The Government of the United States will transmit to all the signatory powers a certified copy of the procès-verbal of the deposit of ratifications.*

*The present treaty, in French and in*

*English, shall be deposited in the archives of the Government of the United States, and duly certified copies thereof will be transmitted by that Government to each of the signatory powers.*

*In faith whereof the above-named plenipotentiaries have signed the present treaty.*

*Done at the City of Washington, the thirteenth day of December, one thousand nine hundred and twenty-one.*

### THE RESERVATIONS

Following is the text of the reservation note, prepared by the American delegates and accepted by the other powers:

In signing the treaty this day between the United States of America, the British Empire, France and Japan, it is declared to be the understanding and intent of the signatory powers:

1. That the treaty shall apply to the mandated islands in the Pacific Ocean, provided, however, that the making of the treaty shall not be deemed to be an assent on the part of the United States of America to the mandates and shall not preclude agreements between the United States of America and the mandatory powers, respectively, in relation to the mandated islands.

2. That the controversies to which the second paragraph of Article 1 refers shall not be taken to embrace questions which according to principles of international law lie exclusively within the domestic jurisdiction of the respective powers.

*Washington, D. C., Dec. 13, 1921.*

### SENATOR LODGE'S SPEECH

But to return to the conference proceedings of Dec. 10: After reading the treaty, Senator Lodge spoke in part as follows:

The signing of this treaty on the part of the United States is subject to the making of a convention with Japan concerning the status of the Island of Yap, and what are termed the mandated islands in the Pacific Ocean north of the equator, the negotiations in regard to which are almost concluded; and also to the reservations with respect to what are termed the mandated islands in the Pacific Ocean south of the equator.

It should also be observed that the controversies to which the proposed treaty refers do not embrace questions which, according to principles of international law, lie exclusively within the domestic jurisdiction of the respective powers. \* \* \*

Each signer is bound to respect the rights of the others, and before taking action in any controversy to consult with them. There is no provision for the use of force to carry out any of the terms of the agreement, and no military or naval sanction

lurks anywhere in the background or under cover of these plain and direct clauses.

The surest way to prevent war is to remove the causes of war. This is an attempt to remove causes of war over a great area of the globe's surface by reliance upon the good faith and honest intentions of the nations which sign the treaty, solving all differences through the processes of diplomacy and joint consideration and conciliation. No doubt we shall hear it said that the region to which this agreement applies is one most likely to give birth to serious disputes and that therefore an agreement of this character is of little consequence. History unhappily has shown that there is no corner of the earth so remote or so valueless that it is not capable of giving cause for controversy or even for war between the tribes and the nations of mankind. But the islands of the Pacific, although remote from the dwelling places of the mass of humanity, are far from valueless. The islands of the Southwestern Pacific extend over a vast space in that great ocean. They reach from the Marquesas on the east to the Philippines on the west; from the Aleutian Islands on the north nearly to the Antarctic Circle on the south. They are far more numerous than is generally realized. I do not know what the total number is, but I am informed as to the Philippines, and it appears that this group alone contains over 3,100 islands, of which 1,600 have names. We have probably heard of the remark of Robert Louis Stevenson, who, on leaving one of the Pacific islands, was asked how he was going to Samoa. He replied that he should just go out and turn to the left. These islands are, comparatively speaking, so dense that we might describe them in the words of Browning as the "sprinkled isles, lily on lily, that o'erlace the sea." And yet the region through which they are scattered is so vast that the isles of Greece and the Aegean Sea, so famous in history and in poetry, could easily be lost therein and continue unnoticed except by wandering seamen or stray adventurers. They range from Australia, continental in magnitude, to atolls, where there are no dwellers but the builders of the coral reefs or lonely rocks marking the peaks of mountains which rise up from the ocean's floor through miles of water before they touch the air. To the Western and Eastern world alike most of the islands on the Southwestern Pacific are little known, and there still lingers about them the charm so compelling and so fascinating which an undiscovered country has for the sons of men who are weary of main traveled roads and the trampled highways of trade and commerce which cover the surface of the patient earth.

Upon these islands still shines the drama of romance in the stories of Melville and the writings of Robert Louis Stevenson, to whom the South Seas gave both a grave and a monument imperishable as his own fame. But the Pacific islands are much

more than this. They possess certain qualities other than natural beauty and romantic charm which to many minds are more enticing. The larger ones are rich in many ways, fertile in the gifts of soil and climate, and in other forms of riches desired by men, which extend from the untold mineral resources of Australia to the pearls which are brought from the depths of the ocean. There are among them all great areas of forest and of plain fit for the support and prosperity of civilized man. In a word, they have a very great material value, largely undeveloped, and where this condition exists the desires of men will enter, and conflicting human desires have throughout recorded history been breeders of war. Thus far the wastes of the Pacific Ocean with all the crowding islands, except on the edges of the continents, have not been the scene of great wars; and yet not many years have passed since three great nations sent their warships to Samoa because there was a dispute in regard to those distant islands. Therefore an agreement among the nations controlling these islands has a very serious importance to the peace of the world.

We make the experiment here in this treaty of trying to assure peace in that immense region by trusting the preservation of its tranquillity to the good faith of the nations responsible for it. The world has just passed through a war the very memory of which makes us shudder. We all believe deep in our hearts that this hideous destruction of life, this suffering and ruin which still beset us, must not be permitted to come again if we can prevent it. If the nations of the earth are still in the innermost recesses of their consciousness planning or dreaming of coming wars and longing for conquests, no treaties of partition and no alliance can stay them; but if, as I firmly hope, the world has learned a frightful lesson from the awful experiences of the great war of 1914, then our surest appeal in order to prevent wars in the future must be to the hearts, the sympathies, the reason and the higher impulses of mankind.

Such an appeal we make today by this agreement among four great nations. We rely upon their good faith to carry out the terms of this instrument, knowing that by so doing they will prevent war should controversies ever arise among them. If this spirit prevails and rules we can have no better support than the faith of nations. For one I devoutly believe the spirit of the world is such that we can trust to the good faith and the high purposes which the treaty I have laid before you embodies and enshrines. Agreements of this kind, I know, have often been made before, only to fail. But there has been a far-reaching change in the mental condition of men and women everywhere. That which really counts is the intention of the nations who make the agreement. In this hour of trial and dark-

ness which has followed the war with Germany the spirit of the world is no longer the same.

If we enter upon this agreement, which rests only upon the will and honor of those who sign it, we at least make the great experiment and appeal to the men and women of the nation to help us sustain it in spirit and in truth.

#### ADDRESSES OF OTHER DELEGATES.

The heads of the various delegations then rose in turn to express approval, in the name of their respective Governments, of the treaty presented by Senator Lodge. M. Viviani, in speaking for France, declared:

In the name of the Government of the French Republic, whose authority I am borrowing now, and which speaks through my voice, I am glad to bring here, in its full amplitude, without any reticence or any reservations, our full adhesion to the pact that has just been read. \* \* \* The day after the ratifications have been exchanged France will assume all the obligations that fall upon her by virtue of this pact, just as she will exercise the rights that she derives from the agreement. \* \* \* After having listened to the documents, after having thus proved our willingness to work together, I think I am entitled to say that this conference, in which we have had the honor to participate and in which we have been proud to help, has fully and entirely succeeded.

M. Viviani ended with a plea for patience in dealing with the troubled situation of the present time, pointing out the importance of this "solemn oath" to establish peace entered into by the men whose Governments had fought side by side in the war, and declaring his belief "that peace will prevail in the world when justice has been satisfied."

Mr. Balfour, speaking for Great Britain, stressed particularly that part of the new agreement providing for the abrogation of the Anglo-Japanese alliance. He pointed out that he had been at the head of the British Administration which twenty years before had brought this alliance into being. Great Britain, he said, had been aware of all the suspicions and animadversions to which this alliance had given rise in the United States, and declared emphatically that nothing had been further from the thoughts of the original framers of



that alliance than any intention to touch, for good or evil, any of the interests of the United States. He admitted that the original motive of the alliance—the aggressive attitude taken by Russia and Germany in the Far East—had disappeared, and granted America's right to ask why the treaty was continued after its *raison d'être* had vanished. There was, however, another viewpoint which he cited as explanatory:

After all, that treaty or its predecessors had been in existence within a few days of twenty years. It had served a great purpose in two great wars. It had stood the strain of common sacrifices, common anxieties, common efforts, common triumphs.

When two nations have been united in that fiery ordeal they cannot at the end of it take off their hats one to the other and politely part, as two strangers part who travel together for a few hours in a railway train. Something more, something closer, unites them than the mere words of the treaty, and as it were gratuitously and without a cause to tear up the written contract, although it serves no longer any valid or effective purpose, may lead to misunderstandings in one nation just as much as the maintenance of that treaty has led to misunderstandings in another.

Thus, said Mr. Balfour, Great Britain found herself between two difficulties—the possibility of misunderstanding if she retained the alliance, and of misunderstanding if she abrogated it. She had long ago reached the belief that the only solution, like that offered by the present four-power treaty, was “that we should annul, merge, destroy, as it were, this ancient and outward and unnecessary agreement, and replace it by something new, something effective, which should embrace all the powers concerned in the vast area of the Pacific.”

Prince Tokugawa, speaking in the name of Japan, said:

It is needless for me to say that all Japan will approve the consummation of this work. Japan will rejoice in this pledge of peace upon the Pacific Ocean. As to the Anglo-Japanese agreement which is soon to terminate, I desire to associate myself with the words of appreciation expressed by our distinguished colleague, Mr. Balfour, with respect to the glorious service which that agreement has done for the preservation of peace and liberty.

The chief delegates of the other countries included in the Committee of the Whole, but not represented among the powers signatory to the treaty, all expressed their cordial approval of its terms. After Signor Schanzer for Italy, Jonkheer van Karnebeek for Holland, Dr. Alfred Sze for China, Baron de Cartier de Marchienne for Belgium and Viscount d'Alte for Portugal, had all signified their unreserved support, Secretary Hughes closed the session with the following words:

Gentlemen, we have been dealing with a very simple paper. Probably you would not be able to find an international document couched in more simple or even briefer terms, but we are again reminded that the great things are the simple ones. I firmly believe that when this agreement takes effect we shall have gone further in the direction of securing an enduring peace than by anything that has yet been done.

The treaty was formally signed without ceremony at Washington on Dec. 13, 1921, by each of the delegates from the four powers concerned. The debate over its ratification had already begun in the United States Senate the day before.

#### FOREIGN POST OFFICES TO BE WITHDRAWN.

Meanwhile, on Dec. 12, another important meeting of the Far Eastern Committee was held, at which a resolution was adopted for the voluntary withdrawal of foreign Post Offices from China on Jan. 1, 1923. Unanimity of the four chief powers was made possible by the formal assent of Japan. The agreement is conditioned on China's maintaining efficient service and continuing the supervision of the foreign Co-Director General of the Post Office Department. It gives China facilities for examining the mails to prevent opium smuggling and other contraband pending the coming into force of the agreement. Dr. Wang of the Chinese delegation explained the origin and rise of spheres of influence, and asked the powers represented to disavow their spheres. The communique issued by the committee is as follows:

The Committee on Foreign and Far Eastern Questions met Dec. 12, 1921, in the Pan American Building. The committee adopted the resolution on Chinese Post Offices as follows:

"(A) Recognizing the justice of the desire expressed by the Chinese Government to secure the abolition of foreign postal agencies in China, save or except in leased territories or as otherwise specifically provided by treaty, it is resolved:

"1. The four powers having such postal agencies agree to their abandonment subject to the following conditions:

"(a) That an efficient Chinese postal service is maintained;

"(b) That an assurance is given by the Chinese Government that they contemplate no change in the present postal administration so far as the status of the foreign Co-Director General is concerned.

"2. To enable China and the powers concerned to make the necessary disposition, this arrangement shall come into force and effect not later than Jan. 1, 1923.

"(B) Pending the complete withdrawal of foreign postal agencies, the four powers concerned severally undertake to afford full facilities to the Chinese customs authorities to examine in those agencies all postal matter (excepting ordinary letters, whether registered or not, which upon external examination appear plainly to contain only written matter) passing through them, with a view to ascertaining whether they contain articles which are dutiable or contraband or which otherwise contravene the customs regulations or laws of China."

Senator Lodge read the following letter:

"Japanese Delegation, Washington.

"Dec. 9, 1921.

"Dear Sir: With regard to the proposed abolition of foreign postal agencies, I am happy to inform you that my Government have no objection to the initiation of the arrangement as from the date in the draft resolution, that is, not later than Jan. 1, 1923.

"In announcing this agreement of my Government, I am instructed to state before the committee their desire concerning the maintenance of efficient Chinese postal service substantially to the following effect:

"Taking into account the fact that the proposed change in the postal régime in China cannot fail practically to affect the Japanese to a much greater extent than any other nationals, the Japanese Government wish to place on record their desire that a suitable number of experienced Japanese postal officers be engaged by China in the interest of the efficiency of the Chinese postal administration. The reasonableness of this desire will readily be appreciated when it is considered that the powers concerned have recognized the need of effective foreign assistance in the Chinese postal administration, and that no less than seventy British subjects and twenty Frenchmen are

in that service, while only two Japanese experts are employed in it. Yours respectfully

M. HANIHARA.

"Hon. Henry Cabot Lodge, Chairman Subcommittee for Foreign Post Offices in China."

Mr. Sze made the following statement:

"Since the establishment of her national postal service China has at all times handled with efficiency all foreign mail. She appreciates that, with the withdrawal of foreign Post Offices from her soil, the amount of foreign mail to be handled by her own postal system will be increased. This increase she undertakes to handle with the same efficiency by making such additions to the personnel and equipment of her postal service as will be required. As soon as the Siberian route is reopened for the transportation of foreign mail matter between Asia and Europe, steps will be taken to make arrangements for the transportation of such mail matter as was formerly transported by this route. As regards actual railway transportation of such mail, China will hold herself responsible for uninterrupted service upon those railways or sections of railways within her jurisdiction which are under her own control and operation."

The committee also entered upon the discussion of matters relating to radio stations in China, which was postponed for further consideration. It then took up the matter of spheres of influence in China, in connection with which Dr. Wang made the following statement, and the discussion was postponed until the next session of the committee:

"The phrase 'sphere of interest' or 'sphere of influence,' as it is sometimes called, is a more or less vague term which implies that the powers making such claims in China are entitled within their respective 'spheres' to enjoy reserved, preferential, exclusive or special rights and privileges for trade, investment and other purposes.

"Germany was the first to claim a sphere of influence or of interest in its crystallized form over the Province of Shantung; later the other powers made similar claims over other portions of the territory of China.

"These claims are either based on agreements between the powers themselves to which China is not a party, such as the agreement of Sept. 2, 1898, relative to railway construction concluded between British and German banking groups and sanctioned by their respective Governments, or based on treaties or agreements made with China under circumstances precluding the free exercise of her will, such as the convention with Germany for a lease of Kiao-Chau of March 6, 1898, and the treaties and notes of May 25, 1915, made with Japan in consequence of the latter's twenty-one demands on China.

"A tentative list of the various treaties relating to this matter and the so-called

spheres of interest of the various powers has already been circulated for your information. I need not, therefore, enter into a detailed examination of them at present.

"That China should have been thus divided into different spheres of interest is a most unfortunate state of affairs. In the first place, these spheres of interest seriously hamper the economic development of China. The powers claiming these spheres seem to take the view that certain portions of China's territory are reserved for their exclusive exploitation, without regard to the economic needs of the Chinese people. There have been instances where a nation is unwilling or unable to finance a particular enterprise, and yet refuses to allow it to be financed or carried out by other nations.

"In the second place, the whole system is contrary to the policy of equal opportunity for the commerce and industry of all nations—a policy which, so far as the common interests of the powers are concerned, is fair and equitable, and which has been adopted by this committee.

"A further objection to the spheres of interest is that there has been a tendency, under cover of economic claims, to further political ends, thus threatening the political integrity of China and giving rise to international jealousy or friction.

"It is gratifying to know that the United States and Great Britain have placed themselves strongly upon record as opposed to the continuance of spheres of interest in China. At the last meeting Mr. Balfour was good enough to say that spheres of interest in China are a thing of the past.

"The claims by the powers to spheres of interest have given rise to many misunderstandings and misgivings on the part of the Chinese people, and in view of the considerations which I have just advanced the Chinese delegation asks that the powers represented in this conference disavow all claims to a sphere or spheres of interest or of influence or any special interests within the territory of China."

Mr. Hughes then stated that he desired to announce an important matter to the committee, although it was outside the proceedings of the conference. It was a matter that had almost been concluded before the conference convened. He was happy to state that it had now been completely settled and an agreement reached between the United States and Japan. He referred to the matter of Yap and the mandated islands north of the equator. A convention would be put in final shape and signed by the two Governments shortly.

In closing the session, Secretary Hughes voiced the regret of the conference over the impending departure of M. Viviani, head of the French delegation after Premier Briand's return to France. M. Viviani replied

appropriately. After signing the four-power agreement on the Pacific, M. Viviani made his personal farewells to President Harding. He sailed on the same steamship which bore Marshal Foch back to France, on Wednesday, Dec. 14. "The Washington conference is a brilliant success," said M. Viviani just prior to his departure. "I am glad I have had a part in it." M. Albert Sarraut, the French Minister of Colonies, who is an authority on Far Eastern affairs, succeeded M. Viviani as head of the French delegation.

### THE YAP AGREEMENT

The provisions of the agreement on mandates, referred to by Secretary Hughes, including the island of Yap, were given out by the State Department at Washington on Dec. 13. They were as follows:

The United States and Japan have reached an agreement with respect to the Island of Yap and the other mandated islands in the Pacific Ocean north of the equator. The negotiations have been in progress since last June and the terms of settlement were almost entirely agreed upon before the meeting of the Conference on Limitation of Armament. The last steps in the negotiations have now been taken. The points of the agreement are as follows:

1—It is agreed that the United States shall have free access to the Island of Yap on the footing of entire equality with Japan or any other nation, in all that relates to the landing and operation of the existing Yap-Guam cable or of any cable which may hereafter be laid by the United States or its nationals.

2—It is also agreed that the United States and its nationals are to be accorded the same rights and privileges with respect to radio-telegraphic service as with regard to cables. It is provided that so long as the Japanese Government shall maintain on the Island of Yap an adequate radio-telegraphic station, co-operating effectively with the cables and with other radio stations on ships and shore, without discriminatory exactions or preferences, the exercise of the right to establish radio-telegraphic stations at Yap by the United States or its nationals shall be suspended.

3—It is further agreed that the United States shall enjoy in the Island of Yap the following rights, privileges and exemptions in relation to electrical communications:

(a) Rights of residence without restriction, and rights of acquisition and enjoy-



ment and undisturbed possession, upon a footing of entire equality with Japan or any other nation or their respective nationals, of all property and interests, both personal and real, including lands, buildings, residences, offices, works and appurtenances.

(b) No permit or license to be required for the enjoyment of any of these rights and privileges.

(c) Each country to be free to operate both ends of its cables, either directly or through its nationals, including corporations or associations.

(d) No cable censorship or supervision of operation or messages.

(e) Free entry and exit for persons and property.

(f) No taxes, port, harbor or landing charges or exactions, either with respect to operation of cables or to property, persons or vessels.

(g) No discriminatory police regulations.

4—Japan agrees that it will use its power of expropriation to secure to the United States needed property and facilities for the purpose of electrical communication in the island, if such property or facilities cannot otherwise be obtained. It is understood that the location and area of land to be so expropriated shall be arranged each time between the two Governments, according to the requirements of each case. American property and facilities for the purpose of electrical communication in the island are to be exempt from the process of expropriation.

#### AS TO MANDATED ISLANDS

5—The United States consents to the administration by Japan of the mandated islands in the Pacific Ocean north of the equator, subject to the above provisions with respect to the Island of Yap, and also subject to the following conditions:

(a) The United States is to have the benefit of the engagements of Japan set forth in the mandate, particularly those as follows:

"Article III.—The mandatory shall see that the slave trade is prohibited and that no forced labor is permitted, except for essential public work and services, and then only for adequate remuneration.

"The mandatory shall also see that the traffic in arms and ammunition is controlled in accordance with principles analogous to those laid down in the convention relating to the control of the arms traffic, signed on Sept. 10, 1919, or in any convention amending same.

"The supplying of intoxicating spirits and beverages to the natives shall be prohibited.

"Article IV.—The military training of the natives, otherwise than for purposes of internal police and the local defense of the territory, shall be prohibited.

"Furthermore, no military or naval bases shall be established or fortifications erected in the territory."

(b) With respect to missionaries, it is agreed that Japan shall insure complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality, and that missionaries of all such religions shall be free to enter the territory, and to travel and reside therein, to acquire and possess property, to erect religious buildings, and to open schools throughout the territory. Japan shall, however, have the right to exercise such control as may be necessary for the maintenance of public order and good government, and to take all measures required for such control.

(c) Japan agrees that vested American property rights will be maintained and respected.

(d) It is agreed that the treaties between the United States and Japan, now in force, shall apply to the mandated islands.

(e) It is agreed that any modifications in the mandate are to be subject to the consent of the United States.

and, further, that Japan will address to the United States a duplicate report on the administration of the mandate.

A formal convention embodying these provisions will be drawn up for signature and will be subject to ratification by the Senate.

The foregoing clause regarding missionaries will reopen more than a hundred Christian schools in the mandated islands, and will mean the continuation of seventy years of American Protestant and thirty-five years of Roman Catholic missionary work in that region of the Pacific. Under a ruling of the League of Nations the Japanese had closed these mission schools and established their own secular instruction in accordance with the educational laws of Japan.

#### AGAINST FOREIGN LEASEHOLDS

At the session held on Dec. 14, Dr. Wang for China continued his argument against foreign concessions on Chinese soil. Japan was ready to return her Shantung holdings under certain conditions, which the special Chinese and Japanese negotiators were still discussing, but she had declared that she would not withdraw from Kwangtung Province in South Manchuria, including Port Arthur and Dairen, because she had obtained these concessions by treaty. At this session of the Far Eastern Committee Dr. Wang undertook to combat Japan's retention of these leaseholds, and insisted that the treaty of re-

newal for ninety-nine years and other treaties were obtained by Japan under duress of the famous twenty-one demands in 1915, and that Japan was not entitled to the Kwangtung leasehold after the expiration of the original treaty in 1925. He argued that this and all the treaties resulting from the twenty-one demands should be abrogated. At this point Chairman Hughes, in view of the situation regarding Shantung and naval armaments, deemed it advisable to adjourn subject to the call of the Chairman. The official communique merely stated that "the committee took up the question of spheres of influence and special interests in China," and made no mention of the Chinese argument hinging on the abrogation of the twenty-one demands. The text of the official communique was as follows:

The Committee on Pacific and Far Eastern Questions met Dec. 14. The committee took up the question of "spheres of influence" and special interests in China, and the Chairman stated that, in view of the situation with regard to the matter of naval armament, it seemed advisable to give an opportunity for necessary conversations and discussions and also for meetings of the subcommittee on naval armament in order that an agreement on this subject should be reached at the earliest possible moment. It was also a fact that at this time the Chinese and Japanese delegations were concerned with the Shantung conversations, and in order that the greatest progress should be made in the conference, the Chairman took the liberty of suggesting that the General Committee on Pacific and Far Eastern Questions should have a short session this morning, and then should take a recess subject to the call of the Chairman. This suggestion was unanimously approved.

#### SEPARATE SHANTUNG PARLEY

China, through her delegation at the disarmament conference at Washington, consented on Dec. 1 to a discussion of her long dispute with Japan over the return of Shantung to Chinese sovereignty.

This dispute was precipitated by the clauses of the Versailles Treaty (Section VIII., Articles 156-158), which gave to Japan all the rights and privileges possessed by Germany before the war. Against this settle-

ment China vigorously protested, and when her protests proved vain, her delegates left the Paris Peace Conference, and refused to sign the peace treaty with Germany. Since that time, up to the opening of the Washington conference, the Chinese Government has steadfastly refused to open negotiations with Japan over Shantung, taking the ground that by China's declaration of war on the Central Powers, all the former German rights in Shantung, held on lease from the Chinese Government, automatically reverted to China, and that negotiations with Japan were superfluous.

The clauses of the Versailles Treaty embodying Germany's renunciation of her Shantung rights in favor of Japan were as follows:

*Article 156*—Germany renounces, in favor of Japan, all her rights, titles and privileges—particularly those concerning the territory of Kiao-Chau, railways, mines and submarine cables, which she acquired in virtue of the treaty concluded by her with China on March 6, 1898, and of all other arrangements relative to the Province of Shantung.

All German rights in the Tsing-tao-Tsinan-fu Railway, including its branch lines, together with its subsidiary property of all kinds, stations, shops, fixed and rolling stock, mines, plant and materials for the exploitation of the mines are and remain acquired by Japan, together with all rights and privileges attaching thereto.

The German State submarine cables from Tsing-tao to Shanghai and from Tsing-tao to Che-fu, with all the rights, privileges and properties attaching thereto, are similarly acquired by Japan, free and clear of all charges and incumbrances.

*Article 157*—The movable and immovable property owned by the German State in the territory of Kiao-Chau, as well as all the rights which Germany might claim in consequence of the works of improvement made or of the expenses incurred by her, directly or indirectly, in connection with this territory, are and remain acquired by Japan, free and clear of all charges and incumbrances.

On repeated occasions the Japanese Government, alleging its sincere intention to return to China, of its own accord, full sovereignty in Shantung, made overtures to the Chinese Government to open negotiations with it to this effect. To each overture the Peking Government returned a re-

fusal, reiterating the contention that Shantung belonged to China, and that she could not enter any parleys to fix conditions on which Japan would be willing to make the offered restitution. Meanwhile the Chinese people maintained a vigorous boycott of Japanese goods.

On the eve of the Washington conference, the Japanese Government again proposed—and the Chinese Government refused—a settlement of the controversy. The Chinese reply, transmitted to Tokio on Oct. 6, dealt in detail with the whole Japanese proposal and rejected every part of it in toto. In this reply China declared that the reason why she had found herself unable to enter negotiations was that "the bases upon which Japan claims to negotiate are all of a nature either highly objectionable to the Chinese Government and the Chinese people, or such to which they have never given their recognition." Kiaochau must be returned unconditionally; China would open Kiaochau Bay herself for trade and commerce to all friendly powers, and objected to the establishment of a purely Japanese settlement there; she declined joint operation with Japan of the Shantung Railway; the Custom House at Tsing-tao and other properties in Shantung should be handed back by Japan unconditionally, and Japan should withdraw her troops from the territory without delay. Such, in substance, was the tenor of this new refusal. To a further note from Tokio, urging a reconsideration, the Peking Government returned a no less emphatic refusal.

Such was the status of the controversy when the Washington conference assembled on Nov. 12. After Secretary Hughes's startling proposal of naval disarmament, the conference appointed its committees to take up and study in detail all matters relating to disarmament and the Far East. China appeared at session after session of the Committee on the Far East to state her case with regard to encroachments on her sovereignty, and vigorously attacked the system

of foreign Post Offices on Chinese soil, the regime of extraterritoriality, and the maintenance by various powers, including Japan, of military and police forces in China. Her delegation, however, made no move to bring the Shantung controversy before the conference.

The agreement of the Chinese delegates to open discussions with Japan was announced officially by Secretary Hughes at the session of the Far East Committee on Nov. 30. It was further announced that this acceptance had come as the result of proposals made by Secretary Hughes and Mr. Balfour, who had tendered their "good offices" to the delegates of the two countries.

The first separate meeting of the Chinese and Japanese delegates was held in the Pan American Building on Dec. 1. Members of the American and British delegations were present. The Chinese delegation was headed by Dr. Sze and Dr. Wellington Koo; the Japanese by Baron Kato. Secretary Hughes and Mr. Balfour opened the proceedings, expressing their gratification at the acceptance of their good offices, and their wish to extend these as far as necessary to aid the two countries to reach a final understanding. After the two Asiatic delegations had agreed to eliminate points of agreement, and to proceed at once to matters still in dispute, Secretary Hughes and Mr. Balfour retired, and the Chinese and Japanese negotiators then drew up plans of procedure, the remaining American and British delegates assisting as friendly observers. The results of the session were recorded in this official communique:

The conversations between the Chinese and Japanese delegates relating to the Shantung question arranged through the good offices of Mr. Hughes and Mr. Balfour commenced this afternoon [Dec. 1] in the Conference Room of the Pan American Building.

The meeting on the part of China was attended by Dr. Sze, Dr. Koo and Dr. Wang, accompanied by Mr. Tyau, General Wang, Mr. Hsu, Mr. Chao and Mr. Kuo; and on the part of Japan by Baron Kato, Mr. Hanihara, Mr. Debuchi, accompanied by



Mr. Saburi, Mr. Kimura, Mr. Saito and Mr. Shiratori. Mr. Hughes and Mr. Balfour, accompanied by Sir John Jordan, Mr. Miles Lampson, Mr. J. V. A. MacMurray and Mr. Edward Bell, opened the meeting and retired, leaving the above-named American and British representatives to assist at the session.

The meeting discussed questions of procedure and decided to issue a communiqué at the end of each meeting.

#### POINTS OF AGREEMENT

The points on which the two conflicting powers were already in complete agreement, as shown by both Chinese and Japanese memorandums, were as follows:

1. The whole of Kiao-Chau shall be returned to China, which shall voluntarily open Tsing-tao as a port for foreign commerce and on conditions that are more or less in accordance with the special area system at Tientsin and Hankow.
2. German public property at Tsing-tao shall be turned over to the Chinese for administration, the Japanese proposal including guarantees by China for maintenance and operation. The Chinese formula takes such maintenance and operation for granted.
3. The former German railway rights, exclusive of the trunk line now in operation, shall be transferred to the International Consortium, under which the proposed extensions are to be constructed.
4. The mines along the railway are to be operated as joint Sino-Japanese enterprises.

Points on which there was substantial agreement were these:

1. The Japanese forces in Shantung are to be withdrawn as soon as possible. The Chinese condition is that the troops shall be withdrawn "within the shortest limited period." The Japanese proposal is that the troops shall be withdrawn at once, except for those guarding the railroad, which shall be withdrawn "upon organization by China of a police force to assume protection of the railroad," the question of the organization of this railway guard to be reserved "for future consideration between Japan and China." The Chinese stand is that the right of organizing a railway guard "shall be exercised exclusively by China."
2. The shares in the Shantung Railroad are to be divided equally between Japan and China, with China responsible for the indemnification of the private German owners.
3. Following an agreed settlement, Japan shall renounce all further rights in Shantung in the Chinese formula. The Japanese basis of agreement is that Japan specifically renounces "all preferential rights with

regard to foreign assistance in persons, capital and material, stipulated in the Sino-German treaty of March 6, 1898," but requires that China "undertake to respect the vested rights of all foreigners," and leaves the matter of the railroad guard open for arrangements with Japan.

#### POINTS IN DISPUTE

The differences at the outset were found to lie in the following points:

China makes the following stipulations that are not referred to in any way in the Japanese memorandum:

"1. That Japan must surrender to China, as a part of the salt monopoly, the salt works established by the Japanese at Tsing-tao, Japan being given the right to make certain purchases of salt for a certain period.

"2. That Japan share with China the surplus earned by the Shantung Railway during the period of Japanese operation.

"3. That all the cable lines running out of Tsing-tao, being in Chinese territorial waters, be returned to China, as well as the Japanese wireless station at Tsing-tao, for the cost of which China will pay."

The Japanese memorandum lays down the following conditions which are not taken up in the Chinese formula:

"1. China agrees to carry out the opening of suitable inland cities and towns in Shantung for foreign trade, regulations regarding such to be made by China after consultation with the powers.

"2. China to name Commissioners empowered to arrange a settlement of the question along the lines laid down by Japan."

The sharp cleavage comes in the matter of the trunk line of the Shantung Railroad. The Japanese hold that this should be managed as a joint Sino-Japanese enterprise; the Chinese claim is that the line "should be solely operated by China."

Another distinct difference is included in the Chinese claim that the "sales of land by Chinese to Japanese through force and compulsion of the Japanese military command during the period of military operation shall be nullified."

The intensity of Chinese feeling regarding negotiation with Japan over Shantung was shown by the attempt made by delegations of Chinese merchants and students in Washington to prevent the Chinese delegates from attending this meeting. They met Dr. Wellington Koo and Dr. Shung Hui-wang, but Dr. Sze had already left. The objectors in their converse with the officials were orderly, but used emphatic language in denunciation of the agreement by the Chinese

representatives to negotiate. Dr. Shung explained that the Chinese delegation was not entering into a direct negotiation with Japan, pointing out the difference between "mediation" and "good offices." In case of a deadlock, he added, the American and British delegates might offer suggestions, but these suggestions would not be as binding as in the case of actual mediation or arbitration.

Hsu Mel-tang and Shu Jen-shu, delegates in Washington of the Shantung People's Union, declared that all China wished was "to have Shantung returned unconditionally." In a formal statement they said:

The Chinese Delegation may accept the invitation by the American State Department to enter direct negotiations with Japan over the Shantung controversy, but unless the terms are such as to meet the demand of the people at home, any decision that may be reached will not be approved by them. \* \* \* We wish to reiterate that no effort will be spared to obstruct any conclusion contrary to the wishes of the 38,000,000 souls involved in this famous award.

Mr. Hsu, who is the departmental chief of the Foreign Office of the Shantung Provincial Government, described his departure from Shantung as follows:

The scene of my departure was most pathetic. About 3,000 people saw me off at the station. Each of them carried a white flag, which meant that we need not return to China until Shantung returns with us to China.

#### SHANTUNG RAILWAY DISCUSSED

The discussions were continued on the afternoon of Dec. 2, when the delegates at once attacked the heart of the dispute, namely, the disposition of the Kiao-Chau-Tsinan Railway. The Chinese reiterated the view presented at the Paris Peace Conference—that both the ownership and administration of the railroad must be given to China. Japan insisted on the view expressed in her note to China dated Sept. 7, in which she offered joint control and administration of the railroad. The conversations went no further than a definition of the real issue. In the course of the session both delegations fre-

quently appealed to the American and British observers. The attitude on both sides was frank and conciliatory. The spokesman for the Japanese declared later that Japan, for economic reasons, was prepared to deal generously with China in order to break down the boycott of Japanese goods. Dr. Koo, for China, re-emphasized the Chinese view that these conversations could not be interpreted as "direct negotiations," and defined them rather as "an informal conference around the table, collateral with the Washington conference proper."

The official communique issued on Dec. 2 preceded the report of that day's session by the full statements made by the heads of delegations the day before. The communique in full was as follows:

At the first meeting of the Chinese and Japanese delegates, held Dec. 1, at the Pan American Building, relative to the question of Shantung, and in response to the opening remarks of Mr. Hughes and Mr. Balfour expressing their gratification in the acceptance on the part of China and Japan of their good offices and their desire to extend their friendly intervention with a view to securing a fair and satisfactory arrangement of this question, Baron Kato and Dr. Sze replied as follows:

#### "JAPANESE STATEMENT ON THE SHANTUNG QUESTION, DELIVERED AT THE MEETING OF THE JAPANESE AND CHINESE DELEGATES ON DEC. 1:

"We are sincerely gratified by the opportunity which has been afforded us to meet with the representatives of China in an attempt to arrive at a satisfactory adjustment of the Shantung question. We cannot let this occasion pass without expressing our deep appreciation of the good offices of Secretary Hughes and Mr. Balfour, which have made the present meeting possible.

"It is needless for us to assure you that Japan is eagerly looking forward to an early settlement of this long-pending controversy. We may add that it is the desire of the Japanese people to eliminate all cause of misunderstanding between China and Japan, in order that these two neighboring nations in the Far East may live in future in perfect harmony and accord. And we have no doubt that this sentiment is fully shared by our Chinese friends.

"We are not unmindful of the difficulties with which the Chinese Government is being confronted in entering into direct negotiations on the subject. We are, however, confident that, if approached from a broader perspective, the question should be susceptible of a speedy solution. The true and

vital interests of the two nations are in no way conflicting.

"It is unfortunate that the real issues involved have been very largely misunderstood in the popular mind. The term 'Shantung question' is itself a misnomer. The question is not one which affects the whole Province of Shantung. The important points now awaiting adjustment relate only to the manner of restoring to China an area of territory less than one-half of 1 per cent. of the Shantung Province, and also to the disposition of a railway 290 miles long, and its appurtenant mines, formerly under exclusive possession and management of the Germans. There is absolutely no question of full territorial sovereignty; that is being exercised by China throughout the length and breadth of the province.

"Careful examination of the correspondence recently exchanged between Japan and China will show that the divergencies of opinion between the two Governments are more apparent than real. We are hopeful that this meeting will be able to determine in common accord the essential terms of settlement, leaving the matters of detail or of local nature for arrangement by the Commissioners of the two Governments to be specially appointed for that purpose.

"STATEMENT BY MR. SZE ON BEHALF OF THE CHINESE DELEGATION:

"Mr. Hughes and Mr. Balfour: I desire first of all to express on behalf of the Chinese delegation the sincere thanks and appreciation for the friendly and good offices that you two gentlemen have offered on behalf of your two countries in bringing about conversations with a view to a fair settlement of the Shantung question. I need not add anything more to what I said yesterday at the general meeting of the full committee.

"The Shantung question is one of vital importance to China. Its importance to China and the difficulties connected therewith are too well known to all to need any remarks by me today. It is universally admitted that the condition is unsatisfactory and that an early and speedy solution, fair and just and satisfactory to the desires and aspirations of the Chinese people, is necessary.

"I join with you all in the hope that our conversations will be fruitful of results, resulting in a fair and just settlement.

"With reference to the observation of Baron Kato that the Japanese Government was not unmindful of the difficulties which have confronted the Chinese Government in regard to the method of settling this question, the Chinese delegation is gratified that these difficulties have been perceived by the Japanese delegation—difficulties which have made necessary the resort to the present procedure, which, under the good offices of Mr. Hughes and Mr. Balfour in behalf of their respective Governments, has been initiated."

This conversation was resumed this afternoon, together with the American and British representatives. Prince Tokugawa replaced Baron Kato in representing Japan at this session.

It was agreed on the part of the two delegations that in discussing the Shantung question they would take the actual facts and not the academic viewpoints as the basis of discussion, which will be for the sole purpose of promoting mutual understanding and good neighborhood between China and Japan and without giving ground for the least inference that the discussion will be based on the treaty arrangements which have been in dispute between these two countries or others.

An interchange of views on the question of Kiac-Chau-Tsinan Railway then took place and this discussion will be continued at another meeting.

#### CUSTOMS AND PREFERENTIAL RIGHTS

The representatives of China and Japan continued their separate negotiations regarding Shantung on Dec. 5. The Chinese acceded to the Japanese proposal that the Shantung Railway matter be postponed, and that they proceed at once to discussion of customs and preferential rights in Shantung. Japan consented to waive all such preferential rights (which passed from Germany to Japan under the Treaty of Versailles), and further agreed that the maritime customs of Tsing-tao, the port of Kiao-Chau, should become an integral part of the Chinese maritime customs under certain conditions. The official communique issued after the meeting read as follows:

The Chinese and Japanese delegates met on the afternoon of Dec. 5 at the Pan American Building. Mr. Hanihara made the following declaration:

"Japan will renounce all preferential rights with regard to foreign assistance in persons, capital and material, stipulated in the Sino-German treaty of March 6, 1898."

The question of the maritime customs of Tsing-tao was then discussed. After an interchange of views, the negotiators have decided that the said customs will be made an integral part of the Chinese maritime customs, with the understanding, first, that the Chinese Government will make a recommendation to the Inspector General of the Chinese Maritime Customs, with a view to permitting the Japanese traders at Tsing-tao to communicate with the said customs in the Japanese language; second, the Chinese Government will make a recommendation to the Inspector General of the Chi-



nese Maritime Customs that in the selection of a suitable staff for the Tsing-tao customs consideration be given within the limits of its established service regulations to the divers needs of the trade of Tsing-tao.

With these two understandings, the Japanese delegates waived all the privileges formerly enjoyed by the Germans in relation to the maritime customs at Tsing-tao. The provisional agreement between Japan and China relative to the maritime customs office of Tsing-tao of Aug. 6, 1915, will be automatically abrogated when the above-mentioned decision comes into effect.

Mr. Hanihara, the chief Japanese negotiator, issued a public statement on the same day, in which he explained in some detail the Japanese view in respect to Shantung. The salient points of the statement were as follows:

The American people believe that the Japanese have overrun this Chinese province, that they control the railways, the Government and everything else. This is untrue. The actual condition is this: There is a north and south railway which crosses the province, a section of the main line from Peking to Nanking. A part of that line is controlled and operated by the Chinese themselves and a section by British interests. From that main road runs a line eastward to the port of Tsing-tao, Kiao-Chau Bay. That line, 289 miles long, is now held by the Japanese. Policing it and stationed at the terminals at Tsinan-fu and Tsing-tao, we have 2,700 men guarding the line. The charge that this small force is holding the whole province, with its 40,000,000 Chinese, in subjection pays Japan a great compliment. \* \* \* The leased territory of Kiao-Chau covers an area of only 200 square miles, which is less than one-half of 1 per cent. of the area of the whole province. We took it from Germany, not from China. Not only did we take nothing from our colossal neighbor, we have actually offered to restore the port to her and to give her a half right in the former German railway. We Japanese considered that for the cost we paid in blood and money we had some right to compensation, but we planned that that compensation should come from Germany only. What we have intended is that those mining rights which the Germans held and a half share in the railway—not all the railway, but the 289 miles that run from the port to the provincial capital—should be our compensation. Our way of thinking may be peculiar, but we generally doubt whether Englishmen or Americans, placed as we are in the Far East, in absolute need of raw materials and markets for our manufactures, would have made so generous an offer to China. \* \* \*

We, for our part, have nothing but friendly feelings toward the Chinese, and we are willing to come to an amicable understanding with them. But we do not want the railway or the mines to fail to function. If they did the Chinese in Shantung, who live by means of these enterprises, would suffer equally with the Japanese, who would be deprived of raw materials and of markets. We have already agreed to withdraw 2,700 men as soon as the Chinese authorities provide guards to protect the line. We have agreed to hand back Kiao-Chau, the leased territory, to China, if she will open it and other places along the railway for the trade and commerce of all foreigners—not of Japanese alone. We have agreed in the general conference to the policy of the open door, which we Japanese have not everywhere obtained nor enjoyed up to the present. The other matters in dispute in the question of Shantung are of insignificant importance. The Chinese authorities are in control of Chinese affairs everywhere throughout the province.

The separate negotiations regarding Shantung continued in secrecy for the next two weeks. The main obstacle to agreement lay in the conditions attached by Japan to the return of the Tsing-tao-Tsinan-fu Railway. China rejected a Japanese loan and asked the right to purchase on three years' time; Japan sought to spread payment over twenty years; China finally consented to ten. The Japanese yielded on a five years' option to complete the purchase. The two delegations, however, finally reached a deadlock over initial payments and Japan's demand to put Japanese officials in control of the line. The final communique said:

At the seventeenth meeting of the Chinese and Japanese delegates (Dec. 20) the two delegations discussed the plan of payment in cash of China's liabilities regarding the Shantung Railway properties and also an alternative plan of the payment in Chinese Treasury notes, having special reference to the question of the appointment by China of Japanese experts in the service of the Tsing-tao-Tsinan-fu Railway, as proposed by the Japanese delegation. These questions involved points on which it was found necessary for the Japanese delegation to consult with its home Government.

News reached Washington on Dec. 19 that General Chang-Tso-lin, the powerful military Governor of Manchuria, had entered Peking, and

that the Chinese Cabinet had resigned as a preliminary step toward a complete reorganization of the Government. It was stated that negotiations had already been begun for the reunion of the two warring sections of China under a new President. The overthrow at Peking had no immediate effect upon China's disarmament delegation at Washington.

#### LAND ARMAMENT

After Premier Briand's address of Nov. 21 setting forth the attitude of France regarding her army, and after the responses of the different nations (all published in the December CURRENT HISTORY), the Committee on Armaments referred the whole subject of land armament to a committee consisting of the plenipotentiary delegates of the five powers. This committee discussed the subject for two hours on Nov. 23, and finally referred it to a subcommittee of five, consisting of a delegate from each of the leading nations. The full committee issued a report of the proceedings, as follows:

The committee on the subject of the limitation of armament met in the Pan American Building on the morning of Nov. 23. All the members were present, except Baron Shidehara and Signor Meda. After a general discussion of the subjects relating to land armament and the agencies of warfare, these were referred to the subcommittee, consisting of the heads of the delegations, with instructions to bring in an order of procedure with regard to these subjects and to appoint subcommittees to deal with the questions relating to poison gas, aircraft and rules of international law.

The subcommittee, which met at 5 o'clock, made public a communiqué outlining the result of its deliberations, as follows:

"The subcommittee decided to create three boards of experts, each member of the subcommittee to nominate the members of these boards as follows:

"1. With respect to aircraft, their quantity, character and use.

"2. With respect to poison gases.

"3. With respect to appropriate rules for the conduct of war.

"The experts are to conduct their inquiries under the direct supervision of the subcommittee, composed of the heads of the five delegations. As each subject is prepared for the discussion of the full committee it will be reported to it."

Mr. Briand took leave of his colleagues,

expressing his regret at being obliged to depart. The other members of the subcommittee expressed their regret that he was obliged to leave them and their appreciation of the great part he had taken in the proceedings.

The committee then adjourned, subject to the call of the chair.

#### BRIAND'S FAREWELL STATEMENT

Just before his departure from Washington, Premier Briand made a statement before the Committee on Land Armaments supplemental to his public address. In this farewell statement he expressed his views as to the maximum disarmament possible by his country consistent with safety. The official summary of his speech was as follows:

M. Briand asks the floor in order to express his keen regret at being forced to give up his collaboration in the work of the conference, as this day is the last one that he will spend in Washington. He considers it one of the greatest honors of his political life to have been able to participate, even for a time, in the work of the conference, following the noble, generous and courageous initiative taken by the American Government.

He wishes to say once more something which he was unable to express at the last plenary session with all the emotion which he felt; how deep was his gratitude to his colleagues for the words spoken by them and addressed to France. It is certain that the exchange of friendly declarations which has taken place before the whole world has enabled Europe to take a great step forward on the road to peace; it has, in fact, brought about that moral situation without the existence of which it would have been hard, indeed, to reach a positive result.

No longer will any one be able to say that the armaments of France mask offensive intentions. Speaking frankly, it was practically a necessity for France that the words be uttered; she has been so sharply attacked; she has been credited with so many hidden motives that in foreign lands some have ventured to doubt her real purposes.

Tomorrow—and this is one of the reasons for which M. Briand must return to Paris—the French Government and the French Parliament will take up the consideration of the military problem as it presents itself after the war and the victory; they will take it up with a desire to make the greatest possible progress in the realm of the reduction of military burdens. The duration of military service will very probably be reduced by one-half. Thanks to the words spoken at Washington, these decisions will be reached in a serene atmosphere.

M. Briand wishes to add that he departs

without anxiety, since, in his place, he leaves M. Viviani, who, during his previous trips to America, created for himself universal sympathies which have almost made him an American citizen. It is certain that in his hands the interests of France will be well safeguarded.

The French Parliament, as M. Briand indicated in this statement, was then about to act upon a bill decreasing the period of compulsory military service in France from three years to eighteen months and the number of classes from three to one and a half. A class numbers about 250,000 men. This law contemplates the reduction of the French Army by about 50 per cent., in accordance with the program laid down by M. Briand in his speech of Nov. 21 before the Washington conference. Before the war France had an army totaling about 900,000. The present strength of her army, according to a report of the Army Commission laid before the Chamber of Deputies on Nov. 30, is 818,000, made up of 591,000 whites, 117,000 natives of North Africa and 110,000 natives of other colonies and foreigners. M. Briand's program aims to reduce the total to about 525,000, made up of 375,000 Frenchmen resident in France and 150,000 Moroccans, Algerians, Senegalese and Indo-Chinese. The main reduction is in the home forces, which numbered 750,000 before the war. The Army Commission's report, however, made public a few days after M. Briand's speech, estimated that under the Government plan the army would still be 661,000 strong next Summer.

#### THE CURZON EPISODE

Premier Briand left Washington on the morning of Nov. 24. Members of the French delegation and representatives of the State Department, headed by Secretary Hughes, saw him off. That night at a dinner given by the Lotos Club in New York he made a similar plea for France's need of a comparatively large army, and his words left a deep impression. The Premier sailed from New York on the 25th. Before leaving, he was interviewed regarding the sensational

address delivered by Earl Curzon in London on Nov. 24, in which the British Minister for Foreign Affairs, referring to France's treaty with the Turkish Nationalists and to her large standing army, warned her against a policy of isolation, which, he intimated, would lead her to disaster. Lord Curzon said in part:

In what lies the real strength and protection of our great ally across the Channel? \* \* \* It exists in the fact that the conscience of the world and the combined physical force of the world—and in that I include America—will not tolerate the reappearance in the heart of Europe of a great and dangerous power which is always rattling the sword in the scabbard and which is a perpetual menace to the peace of the world. \* \* \* The sole question of the recovery of the peace of the world is not the old idea of splendid isolation by any individual power—there is not much splendor in isolation, after all—it is harmonious co-operation of powers as a whole.

M. Briand's informal reply to Lord Curzon contained these sentences:

As regards disarmament, France will have gone as far along this road as any other country without exception. In effect, on land, in spite of the dangers which she undergoes, she has already spontaneously reduced her "metropolitan army" by a third. In spite of the law which keeps three classes with the colors, there are actually only two. Furthermore, the Government has introduced a bill into Parliament which reduces the period of service by half, and in consequence the number of effectives in the same proportion. It is much more than the other nations will do as regards navies, since the naval reductions envisaged do not exceed 40 per cent. \* \* \*

France, which has 60,000,000 subjects in her colonies, whose coasts are on three seas, which consequently needs a navy, has seen her capital ships reduced by the effects of the war from three squadrons to a single squadron. She is prepared on this ground to realize an accord with her friends and allies for the same proportional reduction.

Consequently in the sum total of her forces of national defense, land army and sea army, it can be said that France will have made an effort at reduction superior to that of any other nation, and the merit will be greater because she is in veritable danger. Our English friend ought to recognize the fact that the German fleet is at the bottom of the sea, and that consequently it is no longer a menace either for England or for us. But the seven million men of the German armies are still very much alive and available. It is a fact that France must realize and consider.

This incident, together with the belief in allied circles that France would



demand a submarine tonnage equal to Great Britain and a capital ship tonnage equal to Japan's, caused sharp comment. The comment was not made less by Premier Briand's ironical remark that "no doubt England needed her capital ships to fish for herring, and France needed her submarines to study marine flora." The French press at first was filled with hostile references to Lord Curzon and to England, but by the time M. Briand landed at Havre (Dec. 2) its tone had become calmer. The incident apparently was closed, but it left a profound impression of the danger that threatened the Entente.

Premier Briand's speech on France's army had contained charges that Germany was still armed. Chancellor Wirth on Nov. 28 read a note before the Reichstag Committee on Foreign Affairs denying the truth of M. Briand's assertions and protesting against the calumnies in his speech. It was at first intended that this note should be sent to Secretary Hughes at Washington, but after a heated debate the committee decided against sending it.

#### NAVAL ARMAMENT

Provisional agreement on the question of naval ratios was reached on Dec. 20. The attempt to fix a ratio acceptable to the three main powers—the United States, Great Britain and Japan—and to bring this into a suitable relation with the capital ship proportion to be allotted to France and Italy, proved to be one of the most difficult tasks which the conference was called upon to perform. The Committee on Armaments discussed all phases of the subject in repeated sessions in camera held through the last week in November and the first two weeks in December. The details of how the committee solved the problem of satisfying the Japanese desire to retain her new large battle cruiser—the Mutsu—by a readjustment of the original American plan, will be found in the introductory pages of this article. The established ratio (5-5-3) for the United States, Great

Britain and Japan was preserved—after allowing the last named country to retain the Mutsu—by Japan's consenting to scrap the Settsu, a ship of an older type, while the United States and Great Britain were similarly allowed to retain certain capital ships originally to have been destroyed, and to scrap others that were to have been retained.

This whole agreement, however, was made contingent on the reaching of a proportionate ratio for France and Italy. The French delegation, headed by M. Albert Sarraut, held out for a proportionate ratio of 3.5, to be represented by a squadron of ten capital ships of 35,000 tons each, construction on which was to be begun in 1925, and which were to be fully completed by the end of the ten-year naval holiday accepted by all five powers. The French argument was that a naval armament of this size was necessary for France's protection against Germany. Secretary Hughes, however, supported by the British and Italian delegates in the Naval Armament Committee, opposed such a large ratio for France, and when his counterproposal of 1.75 was rejected by the French delegation, laid the whole controversy before Premier Briand through Mr. Harvey, the American Ambassador at London. Premier Briand, following his interview with Mr. Harvey, cabled to the French delegation at Washington accepting the 1.75 ratio on condition that France be allowed a strong proportion of auxiliary craft and submarines. At the meeting of the Subcommittee on Naval Limitation held on Dec. 20, Secretary Hughes read the text of a long cable message which he had sent to Premier Briand, explaining in detail why acceptance by France of the 1.75 ratio was absolutely necessary; he also read M. Briand's reply consenting to this ratio with the reservations stated above.

#### HUGHES'S FORCEFUL LOGIC

After sketching the revised plan, Mr. Hughes pointed out that the change from the original plan was

slight, but that the sacrifices agreed to were substantially the same. Sixty-eight capital fighting ships were to be scrapped by the three chief naval powers—a total of 1,861,000 tons—as against the sixty-six ships of the original proposal, representing a total of 1,878,000 tons. Secretary Hughes then emphasized the fact that this final agreement depended on “an appropriate agreement with France and Italy.” Italy, however, was anxious to reduce her capital ships because of the requirements of her economic life, and would make no opposition to the new scheme if France agreed; hence, the note added, the success or failure of the plan depended on the attitude of France. Secretary Hughes thus

marshaled the reasons why France should agree:

France has seven dreadnoughts, with a tonnage of 164,500. Reducing in the same proportion as the United States has reduced, her tonnage of capital ships would be fixed at 102,000, or if the pre-dreadnoughts of France were taken into calculation on her side, although omitted on the side of the United States, the total tonnage of France's capital ships being taken at 221,000, a reduction on the same basis would reduce France to 136,000 tons.

This would be the sacrifice of France if she made the same sacrifice that has been made by the other powers. We do not ask this. We are entirely willing that France should have the benefit of an increased tonnage, which would preclude the necessity of her scrapping her dreadnoughts; that is to say, her present strength in dreadnoughts is about 164,000 tons, and there is not the slightest objection to allowing this and an

[American Cartoon]



Gordon Robinson

—Baltimore Sun

“Keep your eye on that conference, my boy; they may save you from becoming a hero”

increase over this, or a total of 175,000 tons, which would be more than 70,000 tons over what she would have on the basis of relative strength as it exists.

If it be said that France desires a greater relative strength, the obvious answer is that this would be impossible of attainment. If such an agreement as we are now proposing were not made, the United States and Great Britain would very shortly have navies of over a million tons, more than 6 to 1, as compared with France, and France would not be in a position to better herself, much less by any possible endeavor to obtain such a relative strength as has been suggested.

In short, the proposed agreement is tremendously in favor of France by reducing the navies of powers who not only are able to build, but whose ships are actually in course of construction, to a basis far more favorable to France than would otherwise be attainable. The proposed agreement really doubles the relative strength of the French Navy.

Under these circumstances, said Secretary Hughes, the French proposal to construct a new fleet aggregating 350,000 tons, was excessive, and, he was convinced, impossible of realization. He further cited France's economic needs, and deprecated the placing of hundreds of millions in battleships, ending with an earnest request that the French Premier give careful consideration to the points cited.

#### FRENCH PREMIER'S REPLY-

Premier Briand in his reply assured Secretary Hughes that France wished

to do all in her power to reconcile the conflicting viewpoints compatible "with the vital interests of France." He then stated that he had "given instructions to our delegates in the sense that you desire." But though France thus accepted the 1.75 ratio for capital ships, he stated, this acceptance must be conditional on the obtaining of a larger proportion of auxiliary craft and submarines. The salient part of his argument was as follows:

In the question of naval armament, the reoccupation of France is not the offensive point of view, but uniquely the defensive point of view. \* \* \* So far as the defensive ships are concerned (light cruisers, torpedo boats and submarines), it would be impossible for the French Government, without putting itself in contradiction with the vote of the Chambers, to accept reductions corresponding to those which we accept for capital ships under this formal reserve which you will certainly understand.

The idea which dominates the Washington conference is to restrict naval armaments which are offensive and costly. But I do not believe that it is the program to deny to a nation like France, which has a large extent of coasts and a great number of distant colonies, the essential means of defending its communications and its security.

This correspondence left the problem still far from a solution, and a meeting of the Committee of the Whole was called for Dec. 22 to wrestle with it.

#### THE SCAPEGOAT OF THE MARNE

FIELD MARSHAL KARL VON BUELOW, who commanded the German Second Army in France in 1914, died in Berlin on Aug. 31, 1921, aged 75. He had been on the retired list since June, 1916. Born in 1846, he won distinction in the wars of 1866 and 1870. On the outbreak of the World War in 1914 he entered Belgium in command of the Second Army, a brigade of which occupied Liège on Aug. 7, and pressed on to the Marne.

His own explanation of Germany's defeat, published by him in 1920,

was that von Kluck had removed two of von Buelow's corps on Sept. 7. During the retreat that followed, which was really the beginning of the end for Germany, and during the battle of the Aisne, the First and Seventh Armies were placed under von Buelow's charge by the German High Command, and the venerable Field Marshal was thus made the scapegoat for von Kluck's incompetent handling of the advance on Paris, as a result of which all Germany's hopes of a swift termination of the war were dashed to the ground.



# GREAT PERSONALITIES AT THE ARMS CONFERENCE

BY CORNELIUS VANDERBILT JR.

*Eyewitness descriptions of the dominant figures of the various delegations—Pen portraits of Balfour, Briand, Viviani, and the enigmatic Japanese delegates, Kato and Tokugawa—Young China represented by Dr. Sze and Dr. Wellington Koo*

WHEN President Harding issued his historic invitation to the great powers, not overlooking China, the event was considered by them of sufficient importance to justify them in sending their foremost statesmen to Washington. War rumblings were being heard over the earth. Naval armaments were piling up.

Aside from the question of great dreadnoughts, the vital importance of a congress of nations to the world's economic interests was realized. With Europe an economic desert, world interest was centring on the Pacific and the Far East. China loomed as the great prize of the nations. She lay under the ominous shadow of Japan's far-flung ambitions. The "Open Door" to the Orient, as defined by Hay and Roosevelt, was well on its way to being shut. Its further closing would create a serious obstacle to Occidental trade with the Orient. Other questions were involved, but they were secondary to the two great outstanding ones—naval armaments and the "Open Door."

The world's foremost personalities came to Washington to thrash out these intricate problems. They arrived with an apparent unanimity of purpose that spoke well for the success of our President's great adventure into a new field of diplomacy. The Monroe Doctrine has stood steadfastly for a hundred years. History will probably refer to the great principle governing this conference as the "Harding Doctrine," a great instru-

ment for peace welded into definite form by our twentieth century statesmen, Hughes, Root, Lodge and Underwood, and given the stamp of world ratification at the hands of Balfour, Geddes, Briand, Viviani, Kato, Tokugawa and Schanzer.

To obtain a clear perspective of these powerful personalities it will be necessary to view them actually at work in the foreground of the conference and under the arc light of world observation. Let us imagine ourselves present at one of the plenary sessions of the conference. At one end of the council table sit the Americans in whose keeping our forty-eight States have placed a sacred trust. The dominant figure is Hughes, who became the statesman of the hour when he sent his famous "Naval Armaments Must Cease Now" address thundering round the world—Hughes, the dignified and imperturbable lawyer-statesman, spokesman of new world diplomacy and frank Americanism. Tall, straight, legal-minded, doubly determined, icy cold in temperament—that is Hughes, the Secretary of State, conceded by all to be the right man for the place.

Next to him sits the scholarly and oratorical Massachusetts Senator, Henry Cabot Lodge, frail of body, but with a wisdom in statecraft that would guarantee safety to any ship of State. He is very much the Boston gentleman. Lodge has a peculiarly individualistic relation with this conference. Mainly through his opposition the Versailles Treaty went

to the Senatorial guillotine; his influence helped to conceive another great experiment, the "Four Powers Pact," which must go through the same treadmill. He is, perhaps, a greater aristocrat than Hughes, and his classical oratory is generally far above the heads of college undergraduates, and further above the heads of the people. Nevertheless, he is a statesman through and through.

Beside him sits the venerable Elihu Root, who has trod every parliamentary path in Washington and Europe, besides being an ex-Secretary of State, ex-Secretary of War, and this country's representative at The Hague Tribunal. In his face are the iron-willed qualities that make for successful statesmanship. Though he does not address the conference, he commands the greatest respect from the foreign delegates, most of whom have had diplomatic dealings with him in the past. He carries his years somewhat heavily—he is 76 years old—but his brain is as keen as an eagle's eye. Watching his movements and mannerisms, one says to one's self that Roosevelt knew his man when he chose Root for his Cabinet. Harding did well to seat him at this conference.

Oscar W. Underwood is the sole Democrat of the delegation. This rotund Alabaman, with a face as set as the features of a Rodin statue, is by no means the least of the delegates. Like Root, he is the essence of silence, but when he speaks it is with authority. He seems more of the people than his three colleagues.

Britain's ablest statesmen sit at the left of the Americans, and are certainly a match for them. Balfour, Geddes, Beatty, Lee and Cavan form a group of interesting but noticeably diverse personalities.

The famous Balfour, of towering stature and commanding personality, is acknowledgedly one of the outstanding figures of the conference. He is the essence of smiling urbanity; he is the British aristocrat to the *n*th degree; every word and movement of his denotes the noble Cecil

stock from which he sprang. Despite these qualifications of birth, he seems to lean more toward the people than our statesmen—or is it by virtue of transatlantic diplomacy that he does so? His features, softened by age, are really spiritual. As an orator Mr. Balfour is not a Briand, or a Lodge, or a Viviani. His delivery is somewhat hesitant, but it sounds wholesome and extemporaneous and does not appear to detract from the forcefulness of his argument. There is a warmth and an air of unaffected democracy surrounding this old fighter for the British Empire that pleases Americans.

The heavy-limbed, rugged-faced Briand looms above the French delegation like a Teneriffe. Out in Arizona or New Mexico he would be taken for one of the prosperous citizens of the town—a product of hard work and extreme frugality. Like most of his countrymen, however, he is emotional and given to gestures. He is by far the most convincing speaker at the table. Watching him, one gains the conviction that Briand is a man who would shrink from no effort, no sacrifice, which would be for the good of France.

Viviani has not the magnetism of the French Premier, though he is Briand's equal in speech. Their personalities are as far apart as the poles. Briand is slow in action, Viviani as quick as thought. Both statesmen constitute a perfect balance in bringing out the French viewpoint. Briand is carefully groomed; Viviani more carelessly so. France did well in sending these two statesmen to the conference.

What of the mystifying and paradoxical personalities of the Orient? The clannishness and self-isolation of the Japanese are noted by every one. Are these mannerisms due to difference in thought and language or to shyness and supermodesty? This question puzzles the Occidental. The British, French, Americans—even the Chinese—are "mixers," more or less, but the Japanese have a pen-

chant for keeping to themselves. None of the Oriental delegates matches the average Westerner in stature; in fact, all appear as if their chairs were much too low for comfort at the table. There is one noticeable feature concerning them: they are eternally busy, either studying cryptic messages or whispering like chain-lightning among themselves. They realize the importance of this conference. They realize that they are its pivotal centre.

The best known among them to Americans is Kato, Admiral and Minister of the Japanese Navy. His features are startlingly gaunt; his body frail as a youth not yet arrived at maturity; his sea-tanned complexion darker than that of most Japanese. Though short in stature, he has an abnormally large head, sheltering a brain well able to cope with Occidental diplomacy. He speaks no English beyond "I thank you."

Then there is the polished Tokugawa, Prince, President of the House of Peers, and last of a long line of feudal Shoguns whose imperial rule ended with the restoration of the present dynasty in 1868. He is an English scholar of more than ordinary merit. He is the antithesis of Kato, being short but physically massive, and having more the bodily appearance of those famed, great-bodied wrestlers of Nippon. These two emissaries constitute the backbone of the delegation from the land of the Rising Sun.

China's delegation, metaphorically speaking, is one of "many voices." Not a few of the delegates are in sympathy with the South China Government. Apparently "Young China" is at the helm in Washington in the persons of Dr. Sao-Ke Alfred Sze and Dr. Wellington Koo, while "Old China" holds the actual reins of Government in Peking. Sze and Koo are graduates of American universities, and have absorbed much of our democracy, which they hope to implant in China if those of the old Mandarin school will permit

them. Sze is modeled along the lines of frank American statesmanship, while Koo would feel more at home in the secret councils of Europe than in Washington. In Paris Koo was outspokenly pro-Chinese, while in Washington he seems to have applied the brakes, with respect to the larger questions, quite noticeably. Neither is a match for Kato, or Shidehara, or Hanihara.

Without underrating the value of Sze and Koo, the Chinese delegation may be said to contain many others who are their equals, if not their superiors. Particularly does this apply to General Hwang-fu, who abruptly resigned early in December through a disagreement regarding "the principles" of the delegation. Hwang-fu is an out-and-out Chinese, frank to the borders of indiscretion. On the surface Sze and Koo seem to control China's destiny, but there is considerable going on behind the scenes of which the public knows little. For example, there is Dr. Mon-lin Chiang, Acting President of Peking University, who is in Washington as a representative of the Chambers of Commerce and educational institutions of the Chinese Republic. More explicitly, Dr. Chiang is attending the conference as "watch dog" for the Chinese people. He possesses great moral influence with the delegates. In fact, many of the recent resignations were dispatched to Peking on his advice, the Chinese fearing to return home except with a "good conduct" card visaed by Dr. Chiang.

As foreign advisers to the delegation we have Robert Lansing, Dr. John S. Ferguson, Thomas F. Millard, W. W. Willoughby and Lenox Simpson (Putnam Weale).

Senator Carlo Schanzer, President of Italy's delegation, is a successful banker, born in Austria. He is wiry, slight of build, nervous in temperament and frigidly reserved. In fact, his manner is one of Alpine coldness. He speaks English passing well; he addresses the conference in our language.



Belgium is ably represented by Baron de Cartier de Marchienne, Belgian Ambassador to this country for many years, who is really a composite study of the European diplomat. He is a knight of the aristocracy, and, leaving his monacle aside, seems to belong to medieval times. All in all, he is a most agreeable gentleman and highly popular in Washington.

Though Jonkheer H. A. van Karnebeek, the Dutch Minister of Foreign Affairs, is the chief delegate for the Netherlands, Americans have come more in contact with Jonkheer W. H. de Beaufort, present Dutch Minister to Greece and alternate delegate to the conference. He is a powerfully built, extremely handsome gentleman, with all the wholesome

breeziness of our Far Western Americans. Van Karnebeek is a terse-spoken Hollander of our old Knickerbocker type; thoroughly well informed, he is satisfied to "accept" principles that can be safely applied to Holland, and to let it go at that.

Viscount d'Alte, Portuguese Minister in Washington for fourteen years, heads the delegation from that country. Portugal's interest in this conference is altogether centred in her diminutive colony of Macao, close to Hongkong. It contains only four square miles, but as thousands of Eurasians along the China coast have been endowed with Portuguese citizenship, it is obvious that that country could not be left out of the conference.

## BELGIUM'S TWO LANGUAGES

THE visitor to Belgium before the war spoke French wherever he went. Everywhere, however, he observed that all public notices, in streets, on buildings, in tramways, were in two languages, one French, the other a language resembling Dutch. If he was well informed, he knew that this was Flemish, the second national language in Belgium. In the parks of Antwerp and other cities, as he sat on a bench enjoying the music of the band, he noted that Flemish was spoken by virtually every one, though, as he very well knew, all these people also spoke French. As the visitor went up north, however, and especially through the country districts, he found that Flemish alone was spoken and understood. The writer on one occasion found that he could make himself better understood by talking English than by talking French. Between a low German dialect and English the likeness is often startling.

This question of a double language has long been a threatened source of political disunion between the two parts of Belgium. Flemish is the language of the north, French is spoken by the Walloons of the south, often in a dialect or patois form which is absolutely incomprehensible to one

who speaks the classic tongue of France. Ever since 1830 French in practice has been the only official language of Belgium, and it is this fact that has aroused bitterness. For many years the "Flamingants" have worked to put Flemish on an official equality with French. Germany tried to exploit this linguistic scission during the war, but Belgian loyalty was too strong in the face of invasion.

The Flemish faction, however, has at last won a victory. The Bulletin Mensuel du Parti Ouvrier Belge, in its issue of Sept. 10, printed in full the new language law, in the passing of which the Belgian Government redeemed its promise made after the war that the two languages should be placed on a national and official equality. Flemish is made the administrative language of Antwerp, Western Flanders, Eastern Flanders, Limourg-Louvain and the region around Brussels; French is the administrative language of Liège, Luxembourg, Namur, Hainault and Nivelles. Both tongues are to be used by the Central Government, by Government officials, and in the Civil Service. The passing of this new law, and its full operation, will have the effect of making Belgium at last a united nation.

# THE IRISH FREE STATE

*Text of the epoch-making treaty between the British Government and the Sinn Fein leaders, by which the whole of Ireland except Ulster is to become a free nation within the empire.*

THE Irish question came nearer to solution during the month of December, 1921, than at any time in all the centuries of warfare and friction between Ireland and England. A treaty, the text of which is appended hereto, was signed at London, Dec. 6, by the British Cabinet and by the conference delegates of the Irish Dail Eireann. This agreement, which was reached in a dramatic manner after an all-night session, was entirely unexpected; the delegates had seemed to be far apart, so that the failure of the conference was believed to be at hand.

The treaty was received with enthusiastic approval by the press of Great Britain and the United States—almost without exception—and it was announced that all the Governments and Parliaments of the Dominions of the British Empire had expressed approval of it and that the Chiefs of State of all the allies during the war had congratulated the British Government on the compact. The one exception to the general approval throughout the United States was the hostile attitude of a small faction known as the Friends of Irish Freedom.

The British Parliament was called in special session to ratify the treaty, and was opened Dec. 14, with great pomp. The King read his speech to the peers in a firm voice, which gave evidence of the deep satisfaction that he felt. "It was with heartfelt joy," he said, "that I learned of the agreement, reached after negotiations protracted through many months, and affecting the welfare not only of Ireland but of the British and Irish races throughout the world. It is my earnest hope that by the articles of agreement now submitted to you the

strife of centuries may be ended, and that Ireland, as a free partner in the commonwealth of nations forming the British Empire, will secure fulfillment of her national ideals." The address to the throne was moved by Sir Samuel Hoare, and was seconded by George W. Barnes, the labor leader. In the upper house the address was moved by the venerable Lord John Morley, the last survivor of the Gladstone period.

The treaty was scathingly denounced in the upper house by Lord Carson, the Ulster leader. Colonel John Gretton, in the House of Commons, moved an amendment to the address, in effect rejecting the treaty. The treaty was supported in the House by Andrew Bonar Law, by former Premier Asquith, and by all the labor leaders; in the Lords, Viscount Bryce, Lord Birkenhead and other leaders spoke for it. The debate lasted two days. The amendment to the address of the King was rejected by the Peers, 156 to 47, and was defeated in the Commons, 401 to 58.

On Dec. 19 the British Parliament was prorogued, without waiting for the decision of the Dail Eireann on ratification of the Irish treaty. It was to meet again before Jan. 31, 1922, to consider legislation with relation to the treaty, in the event that this was ratified by South Ireland.

In Ireland the first note of opposition to the treaty came from Eamon de Valera, "President of the Irish Republic," in a statement in which he intimated that the plenipotentiaries had exceeded their authority in signing the treaty. The Dail Eireann was to meet in special session Dec. 14 to consider the fate of the agreement. On Dec. 13 the hierarchy of Ireland met at Dublin, with Cardinal

Logue in the chair, and the question was discussed. Although, unofficially, all the Cardinals, Archbishops and Bishops had endorsed the treaty, it was considered inadvisable to do so officially. A resolution was passed to the effect that the Bishops of Ireland hold in highest appreciation "the patriotism, ability and honesty of purpose in which the Irish representatives have conducted the struggle for national freedom."

When the Dail Eireann assembled on Dec. 14 the deliberations were secret for the first three days. The first public session was held Dec. 19, when the debate indicated that there was a wide split over the treaty. Mr. de Valera made a bitter attack. The treaty was strongly defended by Arthur Griffith, Michael Collins and Robert Barton. The resolution to approve it was seconded by C. M. McKeown, known as the "Blacksmith of Ballinalee," who had been released after a sentence of death. Speeches of opposition were delivered by Erskine Childers and Count Plunkett, among the leaders. The debate was still in progress when this issue of CURRENT HISTORY went to press.

The Ulster Cabinet, in a letter written to Premier Lloyd George, rejected the invitation to enter the Irish Free State. It was contended that the altered oath meant a lowered standard of loyalty and was not acceptable to Ulster, while the financial provisions of the agreement would introduce tariff wars with England and internal disputes in Ireland. For these and other reasons Ulster chose to retain her British citizenship and refuse to subordinate herself to the Sinn Fein Government. Exception was taken in the reply to the Boundary Commission, it being contended that it was not in accord with British precedent that territory should be removed from the control of any Government without that Government's sanction.

As an evidence of good faith, the British Government on Dec. 10 released all Irishmen interned in Ireland. The British steamship com-

panies resumed their calls at Queens-town. It was announced at London that all British troops would be withdrawn from Ireland as soon as the treaty was ratified.

[American Cartoon]



\*Brooklyn Eagle

LAND!

#### TEXT OF THE AGREEMENT.

The official text of this momentous treaty, which the British and Sinn Fein representatives had signed at the Premier's office, 10 Downing Street, London, on Dec. 6, 1921, was as follows:

*Article I.*—Ireland shall have the same constitutional status in the community of nations known as the British Empire as the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand and the Union of South Africa, with a Parliament having powers to make laws for peace and order and good government in Ireland, and an executive responsible to that Parliament, and shall be styled and known as the Irish Free State.

*Article II.*—Subject to provisions hereinafter set out, the position of the Irish Free State, in relation to the Imperial Parliament, the Government and otherwise, shall be that of the Dominion of Canada, and the law, practice and constitutional usage governing the relationship of the Crown or representative of the Crown and the Im-



[English Cartoon]



—Daily Express, London

**THE DOCTOR'S DILEMMA**

[Lloyd George finds himself called in many directions at once]

perial Parliament to the Dominion of Canada shall govern their relationship to the Irish Free State.

*Article III.*—A representative of the Crown in Ireland shall be appointed in like manner as the Governor General of Canada and in accordance with the practice observed in making such appointments.

[English Cartoon]



—Daily Express, London

**THE LAST OBSTACLES**

LLOYD GEORGE: "Now will you gentlemen please help to move those rocks?"

*Article IV.*—The oath to be taken by the members of the Parliament of the Irish Free State shall be in the following form:

"I do solemnly swear true faith and allegiance to the Constitution of the Irish Free State as by law established, and that I will be faithful to his Majesty King George V., and his heirs and successors by law, in virtue of the common citizenship of Ireland with Great Britain and her adherence to and membership of the group of nations forming the British Commonwealth of Nations."

*Article V.*—The Irish Free State shall assume liability for service of the public debt of the United Kingdom as existing at the date thereof and toward the payment of war pensions as existing on that date in such proportion as may be fair and equitable, having regard for any just claims on the part of Ireland by way of set-off or counterclaim, the amount of such sums being determined, in default of agreement, by the arbitration of one or more independent persons being citizens of the British Empire.

*Article VI.*—Until an arrangement has been made between the British and Irish Governments whereby the Irish Free State undertakes her own coastal defense, defense by sea of Great Britain and Ireland shall be undertaken by his Majesty's imperial forces, but this shall not prevent the construction or maintenance by the Government of the Irish Free State of such vessels as are necessary for the protection of the revenue or the fisheries. The foregoing provisions of this article shall be reviewed at a conference of representatives of the British and Irish Governments to be held at the expiration of five years from the date hereof with a view to the undertaking by Ireland of a share in her own coastal defense.

*Article VII.*—The Government of the Irish Free State shall afford to his Majesty's imperial force (a) in time of peace such harbor and other facilities as are indicated in the annex hereto, or such other facilities as may from time to time be agreed between the British Government and the Government of the Irish Free State, and (b) in time of war or of strained relations with a foreign power such harbor and other facilities as the British Government may require for the purposes of such defense, as aforesaid.

*Article VIII.*—With a view to securing observance of the principle of international limitation of armaments, if the Government of the Irish Free State establishes and maintains a military defense force, the establishment thereof shall not exceed in size such proportion of the military establishments maintained in Great Britain as that which the population of Ireland bears to the population of Great Britain.

*Article IX.*—The ports of Great Britain and the Irish Free State shall be freely open to the ships of the other country on the payment of the customary port and other dues.

*Article X.*—The Government of the Irish Free State agrees to pay fair compensation, on terms not less favorable than those accorded by the act of 1920, to Judges, officials, members of the police forces and other public servants who are discharged by it or who retire in consequence of the change of government effected in pursuance of the hereof paragraph.

Provided that this agreement shall not apply to members of the auxiliary police force or persons recruited in Great Britain for the Royal Irish Constabulary during the two years next preceding the date hereof. The British Government will assume responsibility for such compensation or pensions as may be payable to any of these excepted persons.

*Article XI.*—Until the expiration of one month from the passing of the act of Parliament for the ratification of this instrument, the powers of the Parliament and Government of the Irish Free State shall not be exercisable as respects Northern Ireland, and the provisions of the Government of Ireland act of 1920 shall, so far as they relate to Northern Ireland, remain of full force and effect, and no election shall be

held for the return of members to serve in the Parliament of the Irish Free State for the constituencies of Northern Ireland unless a resolution is passed by both houses of Parliament of Northern Ireland in favor of holding such elections before the end of said month.

*Article XII.*—If before the expiration of said month an address is presented to his Majesty by both houses of Parliament of Northern Ireland to that effect, the powers of the Parliament and Government of the Irish Free State shall no longer extend to Northern Ireland, and the provisions of the Government of Ireland act of 1920 (including those relating to the Council of Ireland) shall, so far as they relate to Northern Ireland, continue to be of full force and effect, and this instrument shall have effect, subject to the necessary modifications:

Provided, that if such an address is so presented, a commission consisting of three persons, one to be appointed by the Government of the Irish Free State, one to be appointed by the Government of Northern Ireland, and one, who shall be Chairman, to be appointed by the British Government, shall determine in accordance with the wishes of

[English Cartoon]



DECIDING ON THE NAME

—The Star, London

the inhabitants, so far as may be compatible with economic and geographic conditions, the boundaries between Northern Ireland and the rest of Ireland, and for the purposes of the Government of Ireland act of 1920 and of this instrument the boundary of Northern Ireland shall be such as may be determined by such commission.

*Article XIII.*—For the purpose of the last foregoing article the powers of the Parliament of Southern Ireland under the Government of Ireland act of 1920, to elect members of the Council of Ireland, shall, after the Parliament of the Irish Free State is constituted, be exercised by that Parliament.

*Article XIV.*—After the expiration of said month, if no such address as mentioned in Article XII. hereof is presented, the Parliament of the Government of Northern Ireland shall continue to exercise as respects Northern Ireland the powers conferred upon them by the Government of Ireland act of 1920, but the Parliament of the Government of the Irish Free State shall in Northern Ireland have in relation to matters, in respect of which the Parliament of Northern Ireland has not the power to make laws under that act (including matters which, under said act, are within the jurisdiction of the Council of Ireland), the same powers as in the rest of Ireland, subject to such other provisions as may be agreed to in the manner hereinafter appearing.

*Article XV.*—At any time after the date hereof the Government of Northern Ireland and the Provisional Government of Southern

Ireland, hereinafter constituted, may meet for the purpose of discussing provisions, subject to which the last of the foregoing article is to operate in the event of no such address as is therein mentioned being presented, and these provisions may include: (a) Safeguards with regard to patronage in Northern Ireland; (b) safeguards with regard to the collection of revenue in Northern Ireland; (c) safeguards with regard to import and export duties affecting the trade and industry of Northern Ireland; (d) safeguards for the minorities in Northern Ireland; (e) settlement of financial relations between Northern Ireland and the Irish Free State; (f) establishment and powers of a local militia in Northern Ireland and the relation of the defense forces of the Irish Free State and of Northern Ireland, respectively, and if at any such meeting provisions are agreed to, the same shall have effect as if they were included among the provisions subject to which the powers of Parliament and of the Government of the Irish Free State are to be exercisable in Northern Ireland under Article XIV. hereof.

*Article XVI.*—Neither the Parliament of the Irish Free State nor the Parliament of Northern Ireland shall make any law so as either directly or indirectly to endow any religion or prohibit or restrict the free exercise thereof or give any preference or impose any disability on the account of religious belief or religious status, or affect prejudicially the right of any child to attend school receiving public money without

[English Cartoon]



BUT HE GOT OUT ALL RIGHT

—John Bull, London



attending the religious instruction of the school, or make any discrimination as respects State aid between schools under the management of the different religious denominations, or divert from any religious denomination or any educational institution any of its property except for public utility purposes and on payment of compensation.

*Article XVII.*—By way of provisional arrangement for the administration of Southern Ireland during the interval which must elapse between the date hereof and the constitution of a Parliament and a Government of the Irish Free State in accordance therewith, steps shall be taken forthwith for summoning a meeting of the Members of Parliament elected for the constituencies in Southern Ireland since the passing of the Government of Ireland act in 1920 and for constituting a Provisional Government. And the British Government shall take steps necessary to transfer to such Provisional Government the powers and machinery requisite for the discharge of its duties, provided that every member of such Provisional Government shall have signified in writing his or her acceptance of this instrument. But this arrangement shall not continue in force beyond the expiration of twelve months from the date hereof.

*Article XVIII.*—This instrument shall be submitted forthwith by his Majesty's Government for the approval of Parliament and by the Irish signatories to a meeting summoned for the purpose of members elected to sit in the House of Commons of Southern Ireland, and, if approved, it shall be ratified by the necessary legislation.

Signed on behalf of the British delegation:

LLOYD GEORGE,  
AUSTEN CHAMBERLAIN,  
BIRKENHEAD,  
WINSTON CHURCHILL,  
WORTHINGTON-EVANS,  
GORDON HEWART,  
HAMAR GREENWOOD,

On behalf of the Irish delegation:

ART OF GRIOBHTHA (ARTHUR GRIF-  
FITH),  
MICHAEL O. O. SILEAIN (MICHAEL  
COLLINS),  
RIOBARD BARTUN (ROBERT C. BAR-  
TON),  
E. S. DUGAN (EAMON J. DUGGAN),  
SEORSA GHABGAIN UI DHUBHT-  
HAIGH (GEORGE GAVAN DUFFY).

Dated the 6th of December, 1921.

#### ANNEX

An annex is attached to the treaty. Clause 1 specifies that Admiralty property and rights at the dockyard port of Berehaven are to be retained as at present date and the harbor defenses and facilities for coastal defense by air at Queenstown, Belfast, Lough and Loughswilly to remain under British care, provision also being made for oil, fuel and storage.

Clause 2 provides that a convention shall be made between the two Governments, to give effect to the following conditions: That submarine cables shall not be landed or wireless stations for communication with places outside of Ireland established, except by agreement with the British Government; that existing cable rights and wireless concessions shall not be withdrawn except by agreement with the British Government, and that the British Government shall be entitled to land additional submarine cables or establish additional wireless stations for communication with places outside of Ireland; that lighthouses, buoys, beacons, &c., shall be maintained by the Irish Government and not be removed or added to except by agreement with the British Government; that war signal stations shall be closed down and left in charge of care and maintenance parties, the Government of the Irish Free State being offered the option of taking them over and working them for commercial purposes, subject to Admiralty inspection, and guaranteeing the upkeep of existing telegraphic communication therewith.

Clause 3 provides that a convention shall be made between the two Governments for the regulation of civil communication by air.

#### ANTIQUITY OF IRISH PROBLEM

The Irish question first appeared dimly on the far horizon of the Middle Ages as born of the rivalry between the native chiefs and the Anglo-Norman nobles settled in Ireland. This early clash of interests was aggravated by the unjust code of laws enforced by the English Kings upon the Irish. It began to take definite form and direction as a national issue with the determination of Henry VIII. to force the Protestant religion upon Ireland, with himself as supreme head of the Church, as defined in the Act of Supremacy of 1534. At the same time the civil power of the King was enhanced by an act declaring Henry "King of Ireland" instead of "Lord of Ireland," as had been customary from the time of King John.

The effect of these measures, together with the tyrannical character of the Dublin Government in striving to impose English customs and preferences upon the Irish, produced the Shane O'Neill rebellion in 1551. This, with varying fortunes and short intervals of peace, continued until the death of O'Neill in 1567. In 1567 re-

ligious differences were mainly responsible for the Geraldine rebellion, in which the great families of Desmond and Ormond took sides, respectively, against and for the English. That rebellion ended with the killing of the Earl of Desmond as a hunted fugitive in 1583. A treacherous act on the part of the Lord Lieutenant, Sir John Perrott, prompted Hugh O'Neill to rise in rebellion in 1595 and to continue fighting until 1599. The first general land confiscation of those even remotely involved followed shortly after. At the same time the settling of Protestants on the lands of dispossessed Roman Catholics was introduced as a Government policy.

The reign of James I. was marked by the revival of the Acts of Supremacy and Uniformity. British Protestant land settlement took place in Ulster, and a first National Parliament was called to extend uniform protection of the law to English and Irish alike. The result of the latter was of hardly more than nominal benefit. Meanwhile, corrupt officials aided the King in obtaining large sums of money by disputing the ownership of landed estates. Intolerable civil and religious abuses against the Catholics moved Roger O'Moore to lead the rebellion of 1641; he was presently joined by the more famous Owen Roe O'Neill, and fighting went on continuously until, by 1651, Cromwell had gained control of the island. Nearly all the land was then confiscated.

With the restoration of Charles II. a Court of Claims made a redistribution of the land in favor of the Protestants, and Anglican Church rule was re-established. These measures, however, were considerably reversed in favor of the Catholics during the short reign of James II. After the flight of the latter monarch from England, the Irish sided with him against William of Orange. They received James as their rightful sovereign in Ireland and supported him in arms. The turning point of the war was at the Boyne, where the army of King James was defeated, July 1,

1690. James promptly fled back to France, and though the struggle was bravely carried on by the Irish, devastation and poverty finally compelled the acceptance of the peace terms offered by King William under the Treaty of Limerick, Oct. 3, 1691.

Though the Catholics were three times as numerous as the Protestants, they remained in possession of only one-seventh of the island. Under the title of the Penal Laws, 1695-97 and 1793-94, and the Test Act of 1728, passed by the Protestant Parliament of Dublin, the Catholics were deprived of all religious freedom and suffered a complete disfranchisement. Moreover, under the blighting influence of oppressive trade laws, industry and commerce sank into ruin. At the same time agriculture was stifled by the grasp of the middleman and the extortions of the "rack-renter."

In the parliamentary contest to obtain redress from this misrule, the names of Swift, Grattan, Flood and Edmund Burke stood out as brilliant leaders of the Patriotic Party, formed in opposition to the Court Party, whose sole aim was to increase despotic English influence. Considerable moral assistance was lent to the Irish patriotic movement by the revolt of the American Colonies in 1775, with which the Irish Protestants sympathized as striving for the same end: "No taxation without representation."

#### BEGINNING OF REFORM

These efforts resulted in the Act of Renunciation, passed Jan. 22, 1783. By this measure England formally abandoned the claim to make laws for Ireland, relinquishing the same to the King and the Irish Parliament. So desperate, however, had the condition of the peasantry become, so unavailing the demand for parliamentary representation and Catholic emancipation from the British Government-controlled Dublin Parliament, that the rebellion of 1798 broke out. It centred mainly around Wexford, being ably led by Father John Murphy,

a Catholic priest, who did everything in his power to discountenance counter-outrages against the Protestants for the horrible atrocities committed by the Government militia. This rebellion collapsed in the following year, due considerably to the belated arrival of promised help from France. General Lake, the British commander, court-martialed and hanged every leader he could catch, including Father Murphy.

On Aug. 1, 1800, William Pitt, the English Premier, achieved his plan of uniting the two countries under one Parliament in London. This was accomplished by means of unlimited bribery in inducing the Irish Parliament to abolish itself, though all Ireland was bitterly opposed to the act. So far from proving any immediate blessing for Ireland, the combined Parliament at Westminster, when not ignoring that unhappy country, enacted fresh repressive measures. It was at this period that Daniel O'Connell rose to fame as the national leader who forced the concession of the Act of Emancipation, March 30, 1829. Various remedial measures, due to the parliamentary efforts of O'Connell, followed, but came too late to prevent the horrors of the great famine of 1845-47, during which 2,000,000 died of starvation. In the succeeding half century more than 4,000,000 emigrated, chiefly to America.

The English Government was so impressed by the famine that it adopted a more liberal trade policy. The Corn laws were gradually repealed, thus permitting the free entry of wheat into Ireland and a lowering of the price of bread. But remaining discontent developed into the Fenian revolt of 1865-68. While this revolt ended with the rounding up of its leaders, it at least served to awaken England to Ireland's wrongs, and this gave impetus to Gladstone's act for the Disestablishment of the Protestant Episcopal Church in Ireland in 1869. Parnell now came to the front as the champion of the Land League, an agrarian movement with the im-

mediate objects of fair rent, fixed hold and free sale, but with the ultimate aim of the return of the land to the people. Gladstone passed a bill granting the foregoing "Three F's" in 1881, but was halted in further progressive measures by the Phoenix Park murders in May, 1882, which caused a reaction.

On returning to power in 1886, however, Gladstone introduced his first Home Rule bill, but it was lost through a split in the Liberal Party. The first Land Purchase act to enable tenants to buy their farms from the landlords was passed by the Conservatives in 1885, and the second and third bills, fathered by Mr. Balfour, Chief Secretary for Ireland, were passed in 1888 and 1891. Gladstone's second Home Rule bill was rejected in 1893 on the ground that it gave Ireland the right to interfere in English and Scotch affairs. A bill for Irish Local Government through thirty-two County Councils was passed in 1898, and Wyndham's Land Purchase act of 1903 began the restoration of the land to the people.

With material burdens now immeasurably lightened, Irish aspirations turned to an ever-increasing demand for absolute control of domestic affairs. To this, however, Ulster Protestant opposition grew equally apace, so that the grim spectre of rebellion again rose over the land. But this time it was the Protestant minority of the North that, led by Carson and 100,000 volunteers, threatened to revolt, should the Liberal Premier, Asquith, attempt to force his Home Rule bill of 1914 upon them. The bill had been approved by Redmond for the Irish Nationalists, and was before Parliament when the great war broke out and action upon the measure was postponed, with a promise to put it into effect when peace was restored.

Then came Roger Casement's landing from a German submarine, and the vigorous activity of the new Sinn Fein Party of extremists, who, on April 25, 1916, boldly proclaimed a republic, hoisted their flag over the



Dublin Post Office, and designated Patrick H. Pearse as Provisional President. A revolt simultaneously broke out, known as the "Easter Rebellion," which lasted until April 30. During the fighting \$10,000,000 of damage was done to Dublin; many were the casualties, and hundreds of Sinn Fein prisoners were captured. Within a few days 40,000 British troops were poured into Ireland to enforce martial law. Following the execution of Provisional President Pearse, with six other prisoners, Eamon de Valera was elected "President of the Irish Republic."

An attempt to compose the differences between the Irish parties in the Summer of 1917, under the Chairmanship of Sir Horace Plunkett, failed, mainly owing to the absolute refusal of Protestant Ulster to join in an all-Ireland Parliament.

#### GROWTH OF SINN FEIN

The remarkable growth of the Sinn Fein movement after the "Easter Rebellion" enabled its leaders to supplant the Nationalists entirely as the authority for Southern Ireland; this was manifested by the capture of seventy-three constituencies at the British general elections at the end of the World War, and the organization of the Dail Eireann, or Irish Parliament, in Dublin. In the face of a British order of repression leveled against the Dail Eireann and all other Sinn Fein organizations (Sept. 12, 1919) the great majority of the people of Southern Ireland continued to regard it as their lawful government.

Meanwhile a guerrilla conflict between the Crown and Sinn Fein forces grew in bitter intensity as it spread over the island. Destruction of life and property went on, wholesale, as one side visited reprisals upon the other.

In December, 1920, the British Government passed a new Government of Ireland act. It provided for Northern and Southern Parliaments, and for a Central Council containing representatives of both the North and the South to act as a harmonizing

body with the ultimate purpose of a united Parliament. De Valera promptly denounced the plan in view of the Sinn Fein declaration of a republic independent of the British Crown; but Ulster presently faced about and accepted it, after having, for scores of years, declared she would fight were any such separatist government thrust upon her. In the elections subsequently held the Sinn Feiners again swept the South, winning 124 out of the 128 seats. But they refused to organize under the Home Rule act, declaring the new members elected would constitute a new Dail Eireann.

On June 22, 1921, the Ulster Parliament was opened in state by King George and Queen Mary. In a moving speech the King said:

I appeal to all Irishmen to stretch out the hand of forbearance and conciliation, to forgive and forget, and to join in making for the island which they love a new era of peace, contentment and good-will.

The favorable effect of these words in all places moved Premier Lloyd George to issue an invitation on July 9 to de Valera and Ulster Premier Sir James Craig to confer with him in London. While the invitation was being considered, an agreement was entered into between the Crown and Sinn Fein forces to cease all hostilities in a truce pending the outcome of the London parley. These negotiations lengthened from days into weeks and weeks into months. At last, however, Mr. Lloyd George found a formula to bridge the impasse, and a conference assembled in London for the first meeting on Oct. 11. Again came a period of suspense and frequent crises in the negotiations. Finally, when the night seemed darkest, and the British-Sinn Fein conference hovered again on the verge of civil strife, it was announced at 2:30 A. M., Dec. 6, that an agreement by treaty had been reached to declare Ireland a Free State within the British Empire, the Ulster difficulty having been overcome by leaving her to join in the new State or retain her present status, as she was pleased to decide.

# CANADA'S LIBERAL LANDSLIDE

BY JOHN R. BONE

Of The Toronto Star

*General election overturns the Meighen Government and places W. L. Mackenzie King in the position of Premier—The Victorious Liberals pledged to a downward revision of tariff duties*

CANADA'S first post-war general election, held on Dec. 6, 1921, indicated, in an unexpected degree, a return to normal political conditions. Decline in party spirit, collapse of party organization, widespread unrest, and more specifically the spectacular rise of the Farmers', or Progressive, movement, cutting across both the old parties, had created a conviction that none of the groups could secure a "working majority." It was feared that in the ensuing situation the government of the country could be carried on only by some sort of coalition or bargain which would be at best insecure, and might in other ways be gravely objectionable. Therefore, among moderate elements of the community there was a sense of relief on finding that one of the historic parties had achieved a position to form a Government that could proceed along traditional lines.

While Liberal representation in the new House (apparently 117 seats out of the 235) accounts for only about one-half the total, its position is fortified by the fact that the other half is divided into two sections which are hopelessly incompatible. The Liberals occupy middle ground between the Conservative group on the one side and the radical Progressives on the other. It is difficult to imagine any issue on which these two groups could unite as against the Liberals, unless it be possibly the question of rail-

way nationalization. To this some elements in the Liberal Party have been expressing opposition, whereas both Conservatives and Progressives are committed to existing Government ownership and operation. But on other issues, such as the tariff, there seems no possibility of coordinated action between Conservatives and Progressives. If the Liberals find it necessary to oppose free trade proposals put forward by Progressives they can surely depend on support from the protectionist Conservatives. If, on the other hand, Liberals think it wise on their own account to advocate tariff reductions, they cannot only count on support from the Progressives, but can, if necessary, call on them for an advance guard for the campaign, to say nothing of high explosives.

An outstanding feature of the election was the utter collapse of the Government forces known recently as the National Liberal and Conservative Party, successors to the Unionist Coalition formed for war purposes in 1917 by a union of the old Conservative Party with a section of the Liberals. Whereas Sir Robert Borden secured 150 supporters in 1917, his successor was favored in 1921 with only 51 seats in a House of 235. No other party in Canada has ever suffered such a disaster. In five provinces out of nine—Nova Scotia, Prince Edward Island, Quebec, Manitoba and Saskatchewan—not a single

Government supporter was elected, and only one in Alberta.

While few expected so complete a debacle, the defeat of the Government was inevitable from the day that T. A. Crerar, a member of the Union Cabinet, resigned to assume the leadership of the Progressive Party. His defection marked the break-up of the Union. It implied that Western Canada, having helped to bring down the Germans, henceforth proposed to devote its energies to bringing down the tariff. Mr. Crerar declared that at least the three prairie provinces, which had been a unit in supporting the Government's war policy, were fully united in support of his position on a domestic peace policy, and no one then or since has gainsaid him. Sir Robert Borden, weary from his war-time efforts and in impaired health, retired from the Premiership. Mr. Rowell, chief of the Liberal contingent in the Union Cabinet, retired simultaneously, an incident which marked the termination of any distinctive Liberal support for the coalition, though some former Liberals in the meantime had merged permanently with their new colleagues.

#### CAUSES OF THE LANDSLIDE

Mr. Meighen succeeded to the Premiership. But he had succeeded to the command of a sadly decimated army, and he had no promising recruiting ground. Furthermore, the shadow of the Province of Quebec hung over him like a Nemesis. Quebec had been irrevocably alienated through controversies extending over a long period of years and culminating in issues arising out of the war. With Quebec and the West arrayed solidly against it, the Government was beaten before it began the race. Resentment against unchecked profiteering, against the extortions of monopoly, against all the favoritism and inequality which came to light during that hectic period, showed itself to be awaiting the first opportunity to chastise the Government, even if that

Government's war record, as war records go, was creditable.

Mr. Meighen valiantly tried to save the situation by representing his party as the savior of protection. He was perhaps justified in his declaration that the tariff was in danger, because both the Liberals and the Progressives, in their platforms, had advocated radical reductions. But the people refused to become alarmed. And when Mr. King and even Mr. Crerar declared that the tariff was only one of many issues in the election, and that there was no danger of free trade, the declaration was accepted at its full value. On every side Mr. Meighen found himself against a blank wall, and while he conducted his campaign with rare courage and ability, which deserved a far richer reward than some of his alleged friends were disposed to concede in the bitter hours of defeat, there was for him no possible avenue of escape.

Another feature of the result is the appearance of a new, cohesive and aggressively independent party. In the West, as predicted, the Farmers and Progressives swept everything before them. In Ontario they fell short of their expectations, and instead of electing forty or fifty members there, as some hoped, they secured only half of what they expected. Nevertheless, Mr. Crerar returns to Ottawa at the head of sixty-five enthusiastic followers, fourteen more than the Conservatives have, and constituting more than one-quarter of the House. His group will be formidable not merely from numbers, but because of the zeal and crusading spirit of its members.

Failure of the Farmers to achieve their expectations in the pivotal Province of Ontario has elicited much comment. The record in office of the Farmers who have had control of the government of that province for two years has been cited in explanation, but another view is that this Farmers' government was a source of strength rather than weakness to the



movement. Another suggestion is that even Farmers in Ontario, a province traditionally protectionist, took alarm at the extreme low-tariff proposals of their Western colleagues. It is further claimed that the allegiance of many Farmers to their new organization was not sufficiently rugged to stand the strain of a heated national contest, with the result that as polling day approached numbers of them reverted to type. Another circumstance that may have had some influence was the fact that the business side of the Farmers' organization, its co-operative company, had, in common with many other trading organizations, suffered losses in the past year.

The outstanding handicap on the new party was undoubtedly the fact that it was not nationally organized. East of the Ottawa River it had only a semblance of organization and a handful of candidates, not one of whom was elected. As soon as the realities of the situation were appreciated it became apparent that, with the greatest success possible, the Progressive Party could not hope to win more than ninety seats; and while this number might have been sufficient to make the largest group in the new House, it would not have been sufficient to enable the Progressives to organize a stable government. Toward the close of the campaign this fact undoubtedly had great weight with many electors, who thereupon transferred their allegiance to the Liberal Party.

The causes of the Liberal victory are to some extent indicated in the foregoing description of the weaknesses of the Government and of the immature Progressive Party. But it would be ungracious to withhold credit from W. L. Mackenzie King for a success which was in many respects a personal triumph. It will undoubtedly be represented that Mr. King is to be dominated by Quebec, but the other side of the shield is that Mr. King dominated Quebec, at least to the extent that he attracted its confidence to a degree quite without precedent.

Even Laurier, in the heyday of his ascendancy, never achieved a solid following of sixty-five members from his native province. Nova Scotia and Prince Edward Island, also, elected solid groups in support of Mr. King, and the representation he secured from Ontario is the best showing the Liberal Party has made there since 1908. Only in the western stronghold of the Progressives was he unable to make much impression.

#### CAREER OF MR. KING

Mr. King represents a type almost unique in Canada, having deliberately designed his life for a career in public service. His *flair* for politics is undoubtedly derived from his grandfather, William Lyon Mackenzie, the leader of the Canadian Rebellion of 1837, which resulted in responsible government and was the beginning of the modern British Empire. Mr. King entered public life by way of the civil service. He was the first Deputy Minister of Labor in Canada, and from this post he was taken directly into the Cabinet by Sir Wilfrid Laurier, who, it is said, forecast his ultimate elevation to the Premiership. Critics express disappointment at the character of Mr. King's campaign speeches, but the calibre of his mentality and his sense of public service may be judged by the fact that at the age of 25 he declined a professorship at Harvard, preferring to remain in his home land at half the salary, in a subordinate position, in the newly organized Labor Department. Sociology, then as later, was his specialty, a fact which after the Liberal disaster of 1911 led to his accepting temporarily a directorship in the Rockefeller Foundation. No Canadian on his first appeal to the public as a national leader has had a more auspicious reception. His further career will be followed with keen interest.

The election, while much more decisive than anticipated, leaves many questions unanswered. What, for example, is the future of the Progressive Party? Has it reached or passed



(© Wide World Photos)

**WILLIAM LYON MACKENZIE KING**  
*Liberal leader and next Premier of Canada,  
 succeeding Mr. Meighen*

the crest of its wave? And what is to become of the Conservative Party, reduced to unprecedented proportions numerically in Parliament?

Answering the last question first, it may be said at once that there is no prospect of the disappearance of what may appropriately be described as a Conservative Party. The country is full of conservatives, whether they belong to the party of political Conservatives or not.

The victorious Liberal Party includes in its ranks all shades of political opinion. Messrs. Gouin, Lemieux and other Quebec Liberals are outspoken protectionists, opposed to public ownership, and probably antagonistic to many of the social and industrial policies which are advocated in Liberal circles. On the other hand, while undoubtedly many advanced Liberals have thrown their fortunes

in with the new Progressive Party, there still remains in the Liberal Party a considerable leaven of radicalism, particularly in urban communities to which the Farmers' Party has not yet appealed. Mr. King himself is liberal in outlook and on most concrete issues. For example, on the industrial issue he advocates in his book, "Industry and Humanity," the joint control of industry, and develops the idea that modern industrial machinery is as autocratic and as benighted as political machinery was in the days of despotic monarchies. How fast will he be able to make his party step along the path of liberalism, and how far will he be content to sacrifice his convictions to the cause of expediency? It is the problem of liberalism the world over, and Canada's distinction at this juncture is that it has grasped the opportunity to give liberalism in office a chance to show what it will do with the problem.

With respect to the future of the Progressive Party, there are many prophets to declare that already the end of the movement is in sight; that the inevitable fate of nearly all third parties on this continent is approaching. Such judgment may be premature. The West, the home of the Progressives, rejoices that it has at last at Ottawa an independent representation which no longer forms a part of any party which has given hostages to the big interests of the East. This is a spirit which is not likely suddenly to subside. In its less attractive aspects it has developed in Eastern Canada as well as in the West a bitter prejudice against urban dwellers which surpasses the party animosities of former days.

Mr. King was in the Cabinet that advocated reciprocity in 1911, and Mr. Fielding, who negotiated the agreement at Washington, is still with him. But the experience was disastrous from a party standpoint. The reorganized party stands pledged to revise the tariff downward, in the interests both of producers and consumers, and there is little doubt that a serious effort will be made to keep the pledge.

# HORTHYISM A MENACE TO CENTRAL EUROPE

By DR. OSCAR JÁSZI\*

Former Minister of National Minorities in Karolyi's Cabinet

*Hungary's present Government depicted as a militaristic despotism that is trying, through terrorism and chicanery, to revive the Feudal System and restore medieval bondage—A more serious danger than Red Bolshevism*

THE second attempt of Charles of Hapsburg to regain the throne of Hungary has ended in a miserable, ludicrous failure. After playing with the idea of Hapsburg restoration for almost two years, the Entente has decided that it has had enough. Charles is in Madeira, definitely out of the running. But this does not mean that the problem of Hungary is solved. The crisis of that unfortunate country, after all, is but a surface symptom of a deep-seated antagonism underlying the general crisis in Central Europe. To Americans this may sound like an exaggeration; nevertheless, it is literally true that the solution of the Hungarian question will determine whether Europe is to have peace and consolidation or is to drift further toward dissolution. Hungary is the Archimedian fulcrum of Continental politics.

Hapsburgism is defeated, but Horthyism remains; and Horthyism, now strengthened by the victory over its rival, aims to accomplish the *restitutio in integrum* of the big landholders, the magnates and prelates, the host of army officers thrown out of work by the disarmament clauses of the Peace of Trianon and the junker officials forfeiting their places by the nation's territorial losses. Horthyism aims at restoration, in a word, of all the elements that were dispossessed of their former easy and comfortable positions and unearned increments by

the defeat and dismemberment of the country and the contingent economic collapse. To secure for these groups their former opulence at the expense of the workers and peasants—this impracticable, anachronistic, absurd and shameless scheme is the reality behind the "Christian national" regime of Admiral Horthy.

An aim like this cannot be openly championed without being rejected instantly, even by the untutored Magyar masses. Brutal and bloodthirsty anti-Semitism, nationalistic demagoguery, Ku-Kluxism, irredentist conspiracies, semi-officially supported; export of pseudo-Bolshevistic propaganda to trouble the social atmosphere of the neighbor States and to prepare the ground for the advent of Horthy, the Communist Killer—these are the means by which Horthyism tries to deceive the people as to its real purpose.

The psychological situation determines this policy. There are but two paths open for "Rump-Hungary," as the present regime is sardonically nicknamed. On the one hand, it may develop its productive capacity by inaugurating a thoroughgoing land re-

---

\*Professor Oscar Jászi, the foremost sociologist and leader of liberal thought in Hungary, was Minister of National Minorities in the republican Government of President Karolyi. Under the Bolshevik régime he was exiled from Hungary because of his anti-communist views, and has lived since in Vienna. Before the war he was a champion of the oppressed nationalities of Hungary. He has won the friendship and admiration of President Masaryk of Czechoslovakia and of other leaders in Central Europe's fight for liberty.



form, introduce a modern educational system, establish all-round political democracy and enter good relations with the surrounding States on the basis of economic co-operation and cultured interchange. The alternative is to restore pre-war Hungary, to refuse land to the peasants, rights to the workmen, business and professional opportunity to the middle classes—all this in order to save the feudal privileges and unearned increments of the nobility and gentry. The choice of the second alternative necessitates diverting the attention of the masses from its real meaning by aid of the drugs of nationalistic megalomania, revanche and gory anti-Semitism.

This end, however, cannot be attained by merely flogging the dead horse of Bolshevism, which the Hungarian people as a whole have never ridden. The anti-communism of Horthy is a pretext, not a policy. What Horthyism really wants is to destroy the very roots of all those forces and tendencies of the last quarter of a century which in Hungary stood for liberty, democracy, government by and for the people, land reform, separation of Church and State, racial autonomy, a modern school system, anti-militarism, anti-imperialism, a democratic foreign policy—in a word, the soul of modern Hungary, the spirit of the anti-Hapsburg revolution of October, 1918.

#### INSIDIOUS HORTHYISM.

This is why the national, democratic and liberal October revolution must be identified, by hook or crook, with the Communist March revolution of 1919. This is why Karolyi, President of the Republic, and his collaborators must be slandered all over the world as thieves and murderers; why all progressive intellectuals must be driven from their offices and their lecture-chairs; why the freedom of the press and every civic right must be annulled. Instead of the expropriation of the big landed estates, therefore, a new sort of semi-feudal

system of tenure must be created. For the same reason poor, hard-working and progressive Jews must be murdered, and the usury and profiteering of certain big Jewish financiers must be backed up. Hence, also, treaties on which the ink of signature has not yet dried must be violated and worked against by every device of an unscrupulous Machiavelism and of a sham-Bolshevism exported by official agents provocateurs.

But the inexorable logic of facts drives Horthyism even further. Mere pre-war methods of oppression, such as class suffrage and bureaucratic corruption, no longer suffice. A reduced capacity for production postulates keener instruments for exacting unearned increment from the toiling masses. Nothing short of a return to medieval bondage will serve the purpose of today. A caste of soldiery or of reliable peasant landholders is instituted, bound to perform military service at the call of the feudal lords. Corporal punishment is introduced for merchants, styled, for convenience, profiteers.

The number of Jews admitted to higher educational opportunities is restricted in accordance with their percentage in the population. Highly qualified Jews are excluded from all public offices. Socialist candidates for the National Assembly are imprisoned, and their constituents interned. Progressive writers are arrested and jailed, as, for instance, the excellent Zoltan Szasz, the only journalist in Budapest who had the courage to raise his voice against Bela Kun's despotism. Terror detachments are organized in colleges, universities and municipal offices. The medievalization of public life is carried out consistently along all lines.

It is here that the real danger lies. For even a country of peasants, once impregnated with the needs of modern life and furnished with the means, however rudimentary, to satisfy them, cannot return to stark feudalism. The mere attempt must break up the whole system and lead to the

most hideous forms of organic decay. This is just what happened in Hungary. Practically, political power is wielded exclusively by a secret society of several thousand White officers. Their visible heads are Colonel Pronay and Lieutenant Hejjas, prominent in the recent upheaval as Horthy's supporters. The revival of torture, now generally practiced on suspects and prisoners, attaches to their names. Both have frequently boasted in public of the atrocities committed by them personally. Hejjas is the mass-murderer of Orgovany, where several hundred persons, kidnapped from the prisons at Kecskemet, were violently put to death. Colonel Pronay has recently bullied Mr. Rakovszky, President of the National Assembly, into resignation by threats of violence. For this outrage he was "punished" by Regent Horthy with thirty days' confinement to his rooms. Horthy has publicly called Hejjas and Pronay his best officers. He himself is but a puppet in the hands of the military Mafia in whose bloody crimes he is entangled.

The units of this Mafia are called "detachments" or "battalions" in common parlance; "gendarmerie" or "customs guards" for the benefit of Entente officials, or, whenever they commit a particularly nasty outrage, "irresponsible criminals unlawfully wearing the uniform of the national army." These detachments are in charge of the recruiting, canvassing, irredentist propaganda and secret service. They blackmail rich Jews, rob and murder poor ones, plunder villages, prey upon traffic.

#### TERRORISM AND CHICANERY

Another terror organization is the Society of Awakening Magyars. They also engage in political murder, religious persecution and general plunder. They silence or spirit away witnesses, browbeat juries, terrorize Judges, whip newspapers into line. The press is obliged to fill up blanks caused by the censorship with irrelevant type. Trade unions are

robbed of their funds. Friendly societies of the workers are expropriated; even the Free Masons are expelled from their clubhouses. Profitable State licenses, such as cinemas, tobacconists' shops, &c., are confiscated and distributed among "the boys." These terror organizations have even their own prisons and torture chambers.

But it is in the field of foreign relations that this general disorganization works its most pernicious effects. The atavistic principles which form the core of White Bolshevism may turn out as fatal to Central Europe as Red Bolshevism threatened to be. Hungary, supposed to be a link in the *cordon sanitaire* intended to localize Red Bolshevism and confine it to Russia, has become the centre of the White Bolshevism of nationalistic-militaristic anarchy, endangering European civilization. In Poland, Bavaria and Hungary this White Bolshevism is uppermost; in Croatia, now a part of Yugoslavia; in the Slovak parts of the Czechoslovak Republic and in Austria it may, fostered by Magyar agents, gain some day the upper hand. The time for a united effort approaches, and Horthy's Hungary will lead the dance. There can be no peace in Central Europe so long as this White incendiaryism is at large at Budapest.

The alternative faced by Hungary broadens and extends to Central Europe as a whole. The succession States must embody in their policies without reservations the spirit of democracy and racial equality and succeed in restoring economic and cultural co-operation of the Danubian peoples, thus healing the wounds caused by artificial boundaries. Otherwise, there will come about an alliance of Hapsburg and Wittelsbach monarchists, a reactionary bloc including the Bavarian militarists, the Austrian clericals, the Magyar feudalists, the Polish magnates, possibly the reactionary elements in Slovakia, Croatia and Transylvania as well—in a word, a close-knit mutual insurance

organization of feudal-nationalistic interests in all Central Europe.

This latter scheme would suit the purposes of French chauvinism, which plots to disrupt German unity, and would masquerade as the barbed-wire fence against Bolshevism. But this fence would be more dangerous than the evil against which it is to be erected. The vital energies of peoples kept down by force would later break forth in terrible explosions of anarchistic and national Bolshevism.

#### STRATEGIC CENTRE OF REACTION

It is this alternative that today renders Hungary the Archimedian point of Europe. If Horthyism is downed, the road is open to liberty, democracy and peace. If Horthyism succeeds, Central Europe—and ultimately Europe as a whole—must proceed on the downhill road to feudalism, militarism and war. Horthy's Hungary is the symbol and the strategic centre of Old World reaction.

Three events in the last few months indicate the fatal implications of Horthyism. At the same time they show its power of growth. The attempt of ex-King Charles to seize the throne last Easter was frustrated only by the energetic and timely intervention of the Little Entente. In the middle of August, the City of Pecs, with the surrounding district of Baranya, important because of its coal mines, was evacuated by the Yugoslavs and entered by Horthy's troops. This was under the provisions of the Treaty of Trianon; but the population, overwhelmingly Magyar, protested against the annexation by Horthy, and asked to be allowed autonomy under Yugoslav protection. To no avail; the White Terror army arrived, but by then over 10,000 Magyar coal miners had fled across the Yugoslav border. The Magyar occupation was followed by the customary outbreak of White Bolshe-

vism, with all its bloody excesses. Thirdly, there is the recent "Kor-fantyade" in the Burgenland, where the Magyar monarchist troops and irregular "bands" have for two months brutally bullied defenseless Austria and defied the will of Europe. The Burgenland events, culminating in Charles's ill-fated coup, have—or ought to have—brought home the reality of the dangers that threaten the general peace on the part of the Magyar reactionary plungers.

But even the Burgenland coup and the subsequent Karlist raid are nothing but symptoms. They signify that the ulcer of White Bolshevism has broken at last. Dethronement of the Hapsburgs by legislative act is a surface remedy. The core of the problem of Hungary is not the Hapsburg issue, but disarmament. Hapsburgism is merely an effect, not a cause. The militaristic and feudalistic forces of White Bolshevism gravitate toward Legitimism in order to find a sanction for their privileges. The essential danger of Hapsburgism can be averted only by a conscious democracy of peasants and workers—those who labor both with hand and with brain. In the absence of such democracy, the magnates, Bishops and other reactionaries will reinstate their Hapsburg puppet at the first opportune moment. But a Hungarian democracy is incompatible with the present system of terrorist detachments and Ku Kluxism. Without a full and relentless execution of the disarmament clauses of the Peace of Trianon, the democratic inner reorganization and pacific foreign reorientation of Hungary are impossible. Disarmament is the remedy; everything else is a mere palliative. Unless the remedy is applied the wound will reopen, possibly in a different form, probably in a much more vicious degree. Central Europe is too small for both Horthyism and peace. One or the other must go.



# THE MONTH IN THE UNITED STATES

*Proclamations by President Harding declare the former state of war terminated with Germany, Austria and Hungary—Cuts in Army and Government costs—Bills passed by the Extraordinary Session of Congress—President's message at Regular Session*

[PERIOD ENDED DEC. 15, 1921]

**B**Y a proclamation signed by President Harding on Nov. 14, war between the United States and Germany was declared to have terminated July 2, 1921, the date on which the President affixed his signature to the joint peace resolution of Congress.

The proclamation did not declare that the legislation adopted for the duration of the war was repealed, that matter having been settled March 3, 1921, by the signature of another joint Congressional resolution. The main effect of the proclamation was that, for the purposes of war claims and other legal affairs connected with the war, it definitely established the fact that war terminated with the signature of the joint resolution July 2 and not with the exchange of ratifications of the Berlin Treaty on Nov. 11.

A similar proclamation dated Nov. 17, 1921, declared the state of war with Austria-Hungary, as formerly constituted, to have terminated on July 2, 1921. This proclamation included the text of the separate treaty with Austria signed at Vienna Aug. 24, 1921.

The Hungarian National Assembly, on Dec. 12, ratified the Treaty of Peace between the United States and Hungary. Count Albert Apponyi, Chairman of the committee in charge of the peace agreement, said, in an address to the Chamber after ratification: "Though we are not yet acquainted with America's future policy, this separate treaty is proof of

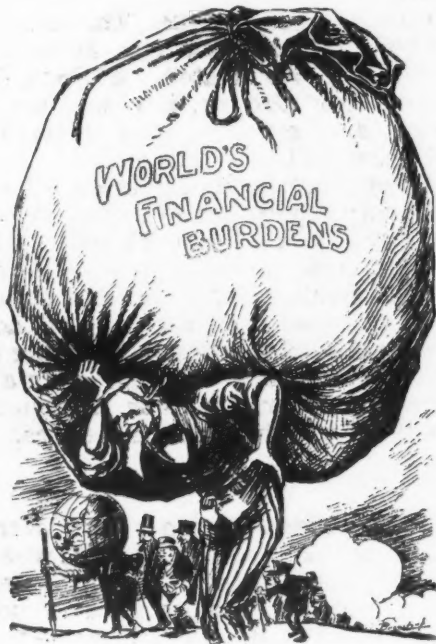
her disinterestedness and her sincere wish to help in the reconstruction of Eastern Europe. This single peace, which was not dictated, recognizes Hungary as an equal."

## SENATOR WATSON'S CHARGES

Senator Watson of Georgia having made serious charges against officers of the American Expeditionary Forces, the Senate appointed a committee, of which Senator Brandegee of Connecticut was Chairman, to investigate the accusations. Senator Watson had charged that American soldiers were executed without trial, that officers had shot down enlisted men in cold blood, that officers had made courtesans of army nurses and had been guilty of other serious offenses.

At a session of the committee held Dec. 8, Colonel Walter A. Bethel of the Judge Advocate General's Department of the army, who was General Pershing's chief legal adviser in France and who in that capacity reviewed every court-martial record in which a sentence of death was imposed on an American soldier, testified that the death sentence had been carried out in only eleven cases and that in every instance the man who forfeited his life was guilty of a crime the atrociousness of which would be difficult to overestimate. He further stated that in every instance where the death sentence was carried out the condemned man had every possible legal safeguard and that in no instance was a man sent to the gallows

[American Cartoon]



—San Francisco Chronicle

HE'S STRONG ENOUGH, BUT SHOULD HE  
CARRY IT?

[American Cartoon]



—Rochester Democrat and Chronicle

TRYING FOR A SEPARATION

until his case had been thoroughly investigated and passed upon by General Pershing. Of the eleven men executed, two were white, one was Indian and eight were negroes. One was hanged for murder, the other ten for attacks upon women and girls.

At a subsequent session of the committee, Dec. 9, Senator Watson grew greatly excited and berated the testifying witness, Major Cocheu, who, however, retained his self-control. The Senator was quieted with difficulty. The Chairman announced that, if necessary, every ex-soldier or other person who had made an affidavit alleging knowledge of acts such as charged by Senator Watson would be brought to Washington for examination by the committee. Senator Watson, it was stated, would be afforded opportunity to cross-examine all witnesses.

## TO BEAUTIFY WAR GRAVES

President Harding on Dec. 14 gave full approval to plans, drawn under supervision of the Fine Arts Commission, for the beautification of American military cemeteries in France, England and Belgium. It was estimated that about \$800,000 would be necessary for the work to be done in 1922. The President was informed that \$11,000,000 had been spent by the Government in returning bodies of the soldier dead to this country.

## ARMY COSTS CUT

A difference of \$22,516,941 was shown in the cost report of the Quartermaster General of the army, issued Nov. 15, between the cost for supplies, clothing, food and other Quartermaster properties bought for the quarter ended Sept. 30, 1921, and for the same period of 1920. The report was said to reflect for the first time in official records the reduced cost of supplying the smaller army of 132,000 men, as compared with that of about 200,000 in 1920. Another difference of \$4,301,306 was shown in the net cost of operation of the

Quartermaster depots for the same periods. For the quarter ended September last the cost was only \$3,213,189, against \$7,514,496 in the same period of 1920.

#### NAVY PERSONNEL REDUCTION

The New York Navy Yard at Brooklyn, N. Y., received orders Dec. 13, providing for a reduction in the enlisted personnel of the United States Navy of approximately 5,000 men. The orders set forth that any enlistment might be canceled by resignation, with the result that, a few hours after the orders were posted, naval officers were deluged with resignations coming from all classes of the enlisted service. A number of vessels, it was said, would necessarily be laid up as a result of the drastic cut, because full complements would be needed on first-class ships.

#### FOREIGN TRADE SHIP GROWTH

The tonnage of American vessels registered in foreign trade at the end of the last fiscal year was almost eleven times greater than in 1914, according to the annual report of the Commissioner of Navigation, made public Dec. 15. The report showed a total of 28,012 vessels of all kinds, totaling 18,282,136 gross tons, under American registry on June 30. This was an increase of 1,958,114 gross tons, or 12 per cent., over the preceding fiscal year. Of this total, the report showed that 5,951 vessels of 11,077,398 gross tons were in the foreign trade, 21,478 vessels of 7,163,136 tons in the coastal trade and 583 vessels of 41,600 tons in the fisheries. Vessels built in the course of the fiscal year numbered 1,361, of 2,265,115 gross tons. American ships lost during the year totaled 183,200 tons; those sold to foreign flags, 116,572 tons.

#### SHIPPING BOARD LOSS CUT

Shipping Board losses for ships in service were reduced by \$850,000 between June and October, according to

a report by Vice President J. B. Smull of the Emergency Fleet Corporation, issued Dec. 12. The reported voyage losses for last June, he stated, approximated \$1,250,000, whereas for October, the last month reported, they were only \$400,000 and were still decreasing.

There were 75 managing agents of the board, operating 674 steel ships, on July 24. Of these, 12 were running tramp services with a total of 125 vessels. It was estimated that on Jan. 1 there would be only 43 active agents of the board, handling a total of 321 ships. By that time all tramp steamers, it was expected, would be withdrawn from service.

#### HIGH SURTAX PASSED

The President's wishes were overridden in the House on Nov. 17, when nearly one hundred Republicans joined with an almost solid Democratic phalanx in voting to make the maximum income surtax rate 50 per cent.

The President had written to Chairman Fordney of the Ways and Means Committee, suggesting 40 per cent. as a compromise between the maximum rate of 32 per cent. proposed by the House and the 50 per cent. sanctioned by the Senate. Conservative Republican leaders in the House expected to make the rate 40 per cent., but ninety-four recalcitrant Republicans broke from the party leadership and joined with the Democrats in a vote of 201 to 173 for the higher rate. Only three Democrats—Campbell of Pennsylvania, Deal of Virginia and Hawes of Missouri—voted with the Republican majority for the lower surtax.

#### TAX BILL ADOPTED

The last act of the Senate in the extraordinary session of the Sixty-seventh Congress, which adjourned sine die Nov. 23, was to pass by a vote of 39 to 29 the 1921 Revenue bill in the form in which it was finally agreed to by the conferees of the two Houses of Congress. The Presi-



[American Cartoon]



—Detroit News

NEXT!

dent signed the bill on the same day. The chief bills enacted at the extra session were thus listed by Mr. Mondell, the Republican House leader: The Emergency Tariff law, Budget law, Revenue act of 1921, peace resolution, Volstead Anti-beer law, Immigration Restriction act, Veterans' Bureau act, Farm Loan act, Maternity

[American Cartoon]



Nelson Harding  
—Brooklyn Eagle

THE MODERN ST. GEORGE AND HIS  
DRAGONS

law, Packers' Control law, good roads appropriation of \$80,000,000, act for the Apportionment of Waters of the Colorado River, the War Finance Agricultural Loan act, Grain Exchange Futures law, appropriation for the Shipping Board, naval appropriation measure, army appropriation measure, Cable Control act and the Indian Bureau act.

#### REGULAR SESSION OF CONGRESS

The first regular session of the Sixty-seventh Congress convened at noon Dec. 5. President Harding addressed Congress in person in a notable message which was a frank expression of the hopes and wishes of the Chief Executive. He had a distinguished audience. Occupying seats of honor directly in front of the House rostrum were statesmen of Europe and the Orient, who were representing their respective countries at the Conference on the Limitation of Armament.

The President proposed flexible tariff and labor regulation and asked Congress to extend the powers of the present Tariff Commission. He was in favor of funding foreign debts. He hoped for changes in the Merchant Marine act. He declared against tax-exempt bonds. He made a strong appeal for the united support of Congress in the accomplishment of legislation that he considered vital to the peace, prosperity and security not only of the United States, but of the world.

#### CUT IN 1922 EXPENSES

The effort which the Government has been making to get national expenditures within a bearable limit was reflected in the first report of Director of the Budget Dawes, which was sent to Congress on Dec. 5. Mr. Dawes estimated the expenditures for the fiscal year ending June 30, 1922, exclusive of postal expenses paid from postal revenues, at \$3,967,922,366 and for the fiscal year 1923 at \$3,505,754,727. The latter figure is approximately \$500,000,000 below the sum

which Treasury officials recently estimated would be required annually to run the Government for some years to come. It also is \$2,032,285,962 less than the \$5,538,040,689 actually spent in the fiscal year ended June 30, 1921. It was estimated that when all factors relating to war and the maintenance of armed forces on land and sea were taken into consideration the cost to the taxpayers from such sources would total no less than \$2,900,000,000 annually, thus making the cost of government as estimated for 1923 for civil purposes not much in excess of \$600,000,000.

#### "OPEN SHOP" RAIL DECISION

A decision promulgating 148 new working rules to govern the employment of the six federated railroad shop crafts and supplanting the national agreement entered into by the employees with the United States Railroad Administration on Sept. 20, 1919, was handed down by the United States Railroad Labor Board on Dec. 1. The decision recognized the "open shop" principle as applied to the railroads and meant to them an annual payroll saving of about \$50,000,000. It immediately affected 400,000 employees, and this number, it was thought, would be increased to 850,000. It was believed that the decision would form the groundwork on which the adjudication of further wage disputes between the roads and their employees would be based.

Employees of Armour & Co., Chicago, 26,000 in all, through their Plant Governing Committee, on Nov. 18 agreed with officials of the packing house that a wage reduction was necessary and fixed the amount. The cut was to date from Nov. 28. This was the first time in the history of the industry that a wage reduction was arrived at in such a manner. The reductions ranged from 8 to 3 cents an hour, and applied to plants in Chicago, St. Paul, Sioux City, Omaha, St. Joseph, Kansas City, St. Louis and Denver.

#### IMPROVEMENT IN BUSINESS

The bi-monthly survey by the National Industrial Conference Board of industrial-economic conditions in the United States, issued Dec. 4, revealed that opportunities for employment were becoming more numerous, especially in the Eastern States. Wage deflation continued, although against considerable organized resistance, and, with lower wage scales, business activity tended to increase.

The cost of living had been affected by seasonal fluctuations, and on Nov. 1 was 63.8 per cent. above the July, 1914, base, according to the board's preliminary estimate. Prices of raw materials were in some cases below those of 1914, and the prices of manufactured articles were generally lower than the peak prices, though they were still maintained from 25 to 120 per cent. above the 1914 level, because of continued high labor costs, high taxes and high costs of transportation. Though at the beginning of the President's unemployment conference the number of unemployed was placed at about 3,500,000, the latest Government figures place the number at about 2,000,000.

The outstanding feature of wage changes in industry had been the effort to reduce wages in trades in which closed union shop conditions had prevailed, or in which a large proportion of the labor was organized in trade unions. Reductions ranged from 10 to 15 per cent., but more radical reductions in individual cases were reported. Preliminary figures of a research study by the board showed reductions in weekly earnings ranging downward from 38 to 5.2 per cent. in industries for which the study had been completed.

#### RADICALS' INFLUENCE ON LABOR

The first annual report of Attorney General Daugherty, sent to Congress on Dec. 8, stated that "the movement launched by the Third or Communist International at Moscow to gain control of the trade and industrial unions throughout the world" was "meeting

with marked success as far as it related to syndicalist unions in the United States." Communist parties in this country, Mr. Daugherty said, had united to carry on propaganda more effectively, and their policy was to endeavor to gain control of the labor organizations through the control of the Executive Committees or other governing bodies therein. "Many of the leaders of this movement are American citizens," he said, "though they are subject to orders from Moscow as to their action and activities in the United States."

He pointed out that the only remedy available to the Federal Government was the deportation of such agitators as are aliens, and that it could act most effectively by co-operation with State authorities. Ten of the States, he said, had anti-anarchy statutes, seventeen of them criminal syndicalism statutes, four of them anti-syndicalism statutes, eleven of them sedition statutes, ten of them statutes on sabotage, twenty-four of them statutes regarding membership in ultra-radical organizations, twenty-one of them statutes regarding attendance at ultra-radical meetings, twenty-nine of them anti-red flag laws, and six of them laws against seditious conspiracy.

#### SENATE FOR BEER BAN

The Senate, on Nov. 18, by a vote of 56 to 22, adopted the conference report on the anti-beer bill, despite the fact that the two leaders of the Senate, Messrs. Lodge and Underwood, opposed it. The so-called Stanley amendment, which the Senate adopted, and which forbade the search or seizure of a person's home or property without a warrant, was substantially modified by the conferees. The bill as finally passed required prohibition agents to obtain search warrants only in the case of private residences. Offices, stores, vehicles and the person might be searched without the authority of a warrant. It was stipulated, however, that officers who searched without "probable cause"

or "maliciously" might be penalized. The bill also prohibited the prescription of beer or other malt liquors for medicinal purposes, and limited the quantities in which other spirituous liquors might be prescribed. The bill was signed by the President on Nov. 23.

#### HELP URGED FOR ALASKA

More liberalized laws with an administration co-ordinated and brought nearer home were stated to be the paramount needs of Alaska in the first annual report of Governor Scott C. Bone, made public Dec. 6. "Capital and people are needed to develop the resources of the Territory," ran part of his message, "and until it is made easier for these two necessary factors to obtain a foothold, the Territory will not progress. Under the present long-range system of government, individual initiative has been halted and the pioneer spirit maimed."

Recommendations made by the Governor were: Liberal mining and land laws, framed to meet distinctive conditions in Alaska; a colonization plan to be worked out in conjunction with the operation of the Government railroad, to bring under cultivation the vast area of agricultural land in the interior; improved transportation facilities and more equitable freight rates, through private enterprise, if obtainable, and under governmental regulation and control; more liberal mail subsidies, to enable the Post Office Department to function better in Alaska.

Governor Bone said that the population had decreased 10,000 during the last decade and that the Territory had not progressed or prospered during the last fiscal year.

#### "TILE TRUST" MEN SENTENCED

As a result of the activities of the Lockwood committee, four business men, prominent in the so-called "Tile Trust," received prison sentences Nov. 23 from Federal Judge William C. Van Fleet in New York City. They were also fined. Twenty-nine other



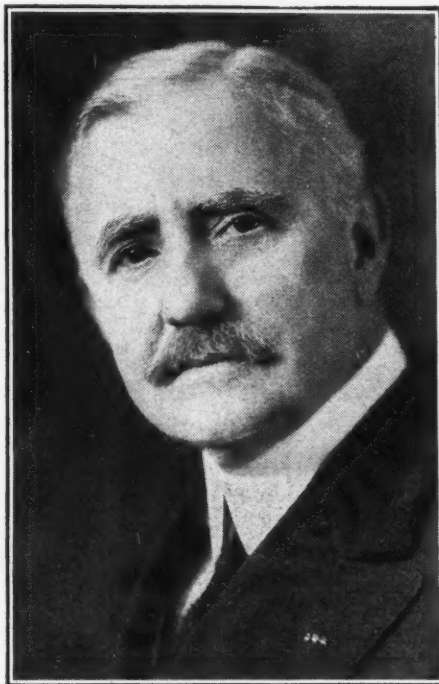
individuals and nineteen corporations were fined.

The four business men—Arthur Schilstone, Albert Schalle, Frank H. Nobbe and Herman Petri—had pleaded guilty, so that they were barred from making an appeal. It was therefore practically certain that they would serve their sentences, which were two months in jail for Petri and four months for the three others. In that case they would be the first business men to see the inside of a jail for violating the anti-trust section of the Sherman act during the thirty-one years that it has been on the statute books.

#### NATIONAL HEALTH

According to the findings of the Committee on Elimination of Waste in Industry of the American Engineering Council, appointed by Secretary Hoover (these findings were made public Dec. 4), the duration of life in America has been increased by five years since 1909. Morbidity surveys, it was stated, showed an economic gain to the nation of many millions through lessened disability and sickness. The report estimated that 2,400,000 people were continuously ill. Tuberculosis was stated to be still the worst epidemic disease, though its ravages were decreasing. Government and State action were included in an elaborate program suggested to minimize illness and prolong lives. There was no reason, it was declared, to believe that the race was physically advancing. But that national vitality was increasing was the general conclusion reached by the investigators.

Pneumonia, influenza and typhoid fever were shown to be the most important communicable diseases among adults. Typhoid fever filled more than 150,000 sick beds annually



SCOTT C. BONE

*Recently appointed Governor of Alaska,  
formerly publicity man for the Re-  
publican National Committee*

and took about 15,000 lives, mostly in the working ages. Influenza and pneumonia in non-epidemic years took about 35,000 lives in the working ages and thus accounted for at least 350,000 cases of illness. Hookworm infection was present in a large industrial area to the extent of at least 5 per cent. among the laboring population.

# KEEPING OUR ARMY READY FOR DEFENSE

BY JOHN W. WEEKS

Secretary of War

*How the United States is organizing an efficient citizen army by salvaging the trained personnel left from the World War—Two million real soldiers to be quickly available in an emergency*

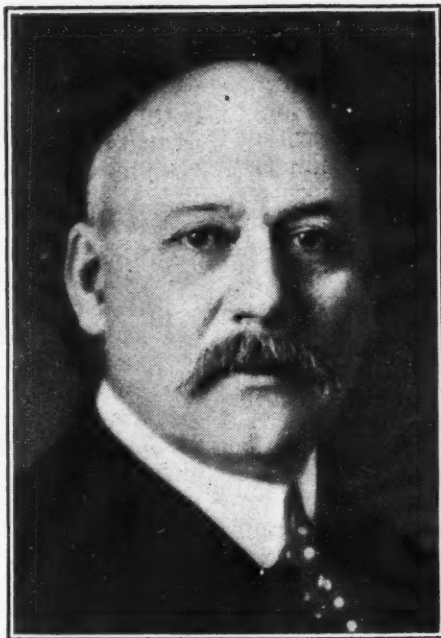
FOR the first time in the history of the United States we now have an operative as against a merely theoretical military policy. Hence it is my good fortune to be the first Secretary of War able to announce definite plans for establishing in time of peace a national defense organization which follows the traditional military program of the nation, but which has never before been applied in actual practice.

The essence of the country's military policy now, as it always has been, is dependence on the civilian manhood of the country for defense in case of war. It presumes the smallest standing army that practical needs will permit, but one that is capable, in case of emergency, of rapid expansion into a larger non-professional war army.

So far as the standing army goes, we have always adhered to that policy. We are adhering to it now. Three

years ago at this writing, there were approximately 4,000,000 Americans under arms, a force almost twice as large as the country ever knew before. Today we have a standing military force of only about 165,000 officers and men. Demobilization after the last war, all elements considered, was as rapid and as radical as it was after previous wars. While our present standing army may seem large in comparison with the forces main-

tained twenty-five years ago, it is still, in a relative sense, quite as small. For we must consider our growth in population and wealth, the development of our world relations and the requirement of overseas possessions which absorb a considerable part of our Regular Army. Likewise, modern warfare has so extended the range of the professional soldier's peace-time duties and studies that there is little more than elementary similarity between what



(© Harris & Ewing)

JOHN W. WEEKS

Secretary of War in President Harding's Cabinet

was required of the regular army in the pre-Spanish war period and what is needed from it today by way of preparation for emergencies that still may arise.

In the past, our policy of expanding a small peace establishment into a great war establishment has been a theoretical one only. For we have always deferred its application, or intelligent preparation therefor, until serious emergency arose. That was a serious defect. It greatly and unnecessarily enhanced the cost, the hardships, the difficulties and the dangers of our important wars. To correct that defect without giving any basis for the fear of militarism—indeed, to correct it in such manner as to lessen the danger of militaristic influences—is the intent of the National Defense act now being applied.

That act contemplates a national defense organization to be known simply as the Army of the United States. That term no longer implies only those expert and well-drilled soldiers who make up our regular establishment. Potentially it includes every man, uniformed or not, who might be expected to fight for his country in case of need. In peace-time practice, however, it includes only those brought within some form of organized control or designation for immediate, casual or extreme emergency military operations. While the regular army is the nucleus around which all will revolve, it will be in a numerical sense only a part, and a relatively small part, of the whole—only the key, so to speak, in the arch of national organization for defense, the whole to be known as the Army of the United States.

#### NEW NATIONAL GUARD

There will be two other main branches, the National Guard and the Organized Reserves, both having to do with the potential defensive strength represented by the civilian manhood of the country. The National Guard practically will be as it has always been; that is to say, chiefly

a State force for use in casual emergency, but effectively organized for prompt employment as a part of the national forces in the event of war. It will be controlled and officered by the States as heretofore, but equipped and technically supervised by the Federal Government. Its present strength is about 126,000, but the plans for its development contemplate gradual and systematic expansion toward the legal maximum of 425,000, to be allotted equitably among the different States. As a part of the Army of the United States, it will constitute eighteen infantry divisions, which will have the designations and so far as possible the territorial identities of the National Guard organizations which took part in the recent war. Most of New York State's National Guard, for example, will continue to comprise the Twenty-seventh Division, Army of the United States, as it did during the World War. Regimental designations will be left to the States, but so far as practicable those under which fame was won during the World War will be retained and perpetuated.

The Organized Reserves likewise will be formed into divisions corresponding, so far as practicable, in both designations and territorial identity, with those evolved from the National Army during the World War. The Organized Reserve forces in New York City and most of its vicinity thus will be in the Seventy-seventh Division of the Army of the United States.

Hence in many respects the A. E. F. goes on. Its traditions, its memories, its experience, will be preserved, and its actual organization perpetuated in at least skeleton form. It is pleasing to note that its commander at the front, General John J. Pershing, as Chief of the General Staff, has the duty of re-energizing it, in so far as may be practicable, and of re-establishing so much of its framework as can be salvaged and preserved for possible future use.

Thus the traditions upon which we build are not in any respect those of



a military class, but rather those of the historic Army of the United States, composed mainly of the citizen soldiery—traditions, too, that will always be safeguarded against changes prejudicial to our institutions.

#### AVOIDING CENTRALIZATION.

The different branches of the Army of the United States will meet and be tied together, so to speak, into corps area organizations, which will be the intermediate headquarters between them and the War Department in Washington. For we aim to accomplish the very difficult task of decentralizing the organized military activities of the country. Toward centralization and concentration the spirit of militarism trends, and therein may lie its chief danger. Hence we view as among the most constructive features of the new military law the division of the country into nine corps areas of substantially equal population. In each of these areas there will be two divisions of the National Guard and three skeletonized divisions of the Organized Reserves. The commanders of these areas, with their staffs, will constitute the agencies for decentralized administrations.

Each corps area commander—generally an officer of high regular army rank—acting under general policies emanating from the War Department, but with the fullest initiative allowed, will be charged with the duty of developing all units of the Army of the United States within his assigned territory. He will also have supervision of the Reserve Officers' Training Corps, the citizens' training camps, and all other agencies through which patriotic citizens who so desire may be prepared for military service in case of national emergency. These corps areas thus form a permanent machinery for decentralized military administration in peace or war. The establishment of these corps areas, based upon the distribution of military population, is one of the most

far-reaching provisions of the amended National Defense act.

The General Staff, which has general supervision as well as full control of all plans for general strategy and operation in case of war, is no longer an isolated and exclusively regular army institution. Both the National Guard and the Organized Reserves are guaranteed representation upon it. In fact, the law requires that any General Staff board or committee having to do with policies affecting the citizen forces of the country must contain as many National Guard or Reserve officers as regulars. Therefore, no policies affecting the citizen forces can be adopted, except with the participation of representatives of those forces at the centre of control. As practically all military policies will affect the citizen forces, representatives directly from the civilian life of the country will share in virtually all War Department actions that relate to national defense. This obviates any danger of the development of an exclusive army hierarchy in Washington, and gives assurance that all preparation for the national defense will be made along truly democratic lines.

#### LIKE THE SWISS PLAN

The military policy whose framework is above outlined follows in many essentials the plan of organization adhered to by the democratic army in Switzerland, the army that long has been viewed as a model for countries desiring adequate defense with a minimum permanent establishment. One basic feature of the Swiss system—universal military training—was not accepted by Congress when amending the National Defense act. But voluntary military training in our schools and colleges and in citizens' training camps is authorized by the law. Personally I believe that we can go far toward developing a powerful defensive military organization on the voluntary basis, for we are in a superb position with regard to the first element

entering into army strategy, which is numbers. The World War demonstrated how our young men at need will make sacrifices to defend their country. Our young men, in greater proportion, perhaps, than those of any other major power, love the out-of-doors and appreciate the benefits coming from moderate training along military lines. Hence we have every reason for believing that we can maintain an efficient overhead organization for mobilizing an army of 2,000,000 men in case of war. With adequate organizations fully officered and with initial movements planned in advance, the training of a large army becomes a relatively simple undertaking.

Every business man knows the all-importance of mere organization. The chief directors of a business concern may die, its working force may strike, the plant and even the offices with all records may be destroyed by fire, and yet, if its organization remains fairly intact, the establishment may be quickly revived. It is easier to build plants, to organize and train workmen, even to find and develop markets, than it is to develop efficient organization, which indeed must grow.

#### OUR WORLD WAR INVESTMENT

What we need most for the military defense of the country is an organization of selected and trained civilians, which, under expert professional guidance, can quickly be ready to function in case of an emergency. With such an organization, including 100,000 reserve officers capable of handling troops or directing the various technical branches of army mobilization and operation, we should be able to have a force of 2,000,000 men under training within a few weeks after the first threat of emergency. With the framework of organization such as we are now developing, many months' time would have been saved in preparing our troops for service in France, and much of the expense would have been saved.

It might be said that, whatever Congress might have decreed, we did not have the material for forming an officers' reserve corps of 100,000 prior to the last war. It would have taken many years' time and large expenditures to create that material. But suppose we had salvaged and organized a portion of the trained personnel that came out of the Civil War, and had used it as the years passed in steadily preparing young men to take its place as age and death removed it from availability. We would have been ready at any time to form a large citizen army within a few weeks from the taking of the first step in the direction of war. Mobilization for the Spanish War would have been a matter of mere selection, and many of the huge problems incident to the organizing of our big army for the World War would have been displaced by processes verging on the automatic.

The training of overhead organization for the Civil War represented an immense investment, which, after the war was over, was permitted to evaporate without an attempt to salvage any part of it. Likewise the training received by thousands of officers and men in the World War represents a huge investment, which can be safely and economically utilized in making such preparations as we may consider necessary for our future protection. Shall we disregard that investment, now that the war is over, rather than preserve and thus economize by reason of it?

That is what, under the National Defense act as amended by Congress last year, the present Administration proposes to do. So far as officers in the World War volunteer for it and are qualified, they will be retained in the reserve forces of the army of the United States. They will be supplemented and gradually superseded, as time passes, by others who in schools or colleges or voluntary training camps, or by technical fitness acquired in their daily life, become qualified for actual war service. Every member of the reserves will

belong to a localized organization. Perhaps in many cases it will be only a paper organization, yet it will exist, and that is the most important factor. Every reservist will have a specific thing to do, in case of call to the colors, and advanced plans will be made for filling out and perfecting every organization.

We already have 64,000 officers enrolled in the Officers' Reserve Corps. Most of them are veterans of the World War, and other veteran officers probably will enroll as the reserve organizations take form. Last year 90,811 young men were enrolled in the Reserve Officers' Training Corps in our colleges and high schools. A considerable number of them will qualify eventually as reserve officers. Last year, also, 11,000 young men attended the citizens' training camps maintained by the War Department in the several corps areas.

#### SALVAGING A TRAINED PERSONNEL

All training is directed by regular army officers, whose greatest function from now on is to develop, maintain and energize the great framework of reserve organization, through which the forces in case of war can be expanded quickly and automatically, as it were, into a large citizen army.

Selected officers and enlisted men of the regular army will be assigned to the Organized Reserves, to supervise training, organization and equipment and to perform detailed administrative work. Thus civilians who become reservists will not be burdened, in peace time, with work that necessarily will interfere with their daily vocations. Tentative plans provide for calling them out for not to exceed fifteen days' training each year, whenever funds are available. This will enable them to keep abreast of military progress, to identify themselves with their organizations, and to undergo practical tests as to fitness for different duties and assignments and for promotion.

There also will be an enlisted reserve corps subject to expansion. While this is desirable, the greatest desideratum is officers properly selected and assigned.

The Officers' Reserve Corps will be a great reservoir for proved and prepared talent for military leadership. There is no limitation upon the source of that talent. It may come from the World War, from the schools and colleges, from the ranks of the National Guard or the regular army—even, in respect to technical activities, from workshops, offices, or laboratories. Fitness will be the single rule applied to admission to the ranks of the ready and the designated.

It will soon become apparent that only those can hope to lead in war who prepare themselves for responsibility in time of peace. The young man, for example, who thinks that in case of war he should like to be on mobilization something more than a high private in the rear ranks will be impelled to fit himself for leadership before mobilization is needed. There should and will be a gradual development of the idea that it is proper for every self-respecting young American to give a portion of his time during his youth to preparation for effective service, if his country should ever need it. He who relies upon mere potential fitness will trust to a slender thread; for when important assignments are made before war comes, there will be little room for the successful wielding of "influence" after activities begin.

Through the general development of an organized citizen army we can maintain an adequate national defense system at a minimum of expense—at negligible expense as compared with what it would take to keep up a standing force sufficient for any eventuality.

With such a system there will be no need, in case of future war, for long and wasteful delays while selecting and training officers, or for setting up great and expensive can-



tonments solely for purposes of military organization. When the young men of the country are called out, they will be mobilized in or near their own home communities, under officers whom they know and in organizations of local contingents.

#### LOCALIZED MOBILIZATION

Thus initially, for purposes of organization, there will be no tremendous housing or tantalizing transportation problems to solve. For in almost every community there already are shelters which can be extemporized—armories, court houses and other public or available private buildings—for local contingents. Hence most of the new recruits may remain near their homes and in touch with their home people until they have received their fundamental training. There will be no need for combining them into huge masses until concentration for military purposes becomes necessary. Hence we will avoid many of the troublesome “psychological” problems that went with the method of initial concentration in the big cantonments. These were unavoidable in the World War, because we were forced to concentrate in order to begin organization.

The development of a citizen army affords our regular establishment the greatest field for constructive work it has ever had. Instead of being a close and isolated organization, cut off in large part from the civic activities and general life of the country, its trained officers and men will spread out through the masses of civilian manhood which have always been and shall continue to be our main dependence in case of war.

Because of its isolation and concentration upon and within itself, in no war have we ever utilized to the full the highly trained skill represented by our small army of professional soldiers. General Grant, in his

memoirs, says it would have been better to disband the regular army at the beginning of the Civil War. This would have made it possible to use its expert personnel solely as framework for building the great citizen army which had to be raised. Under the new system which we are now developing, the trained experts, upon whom the success of the citizen army depends, will be identified with the organizations of that army in time of peace.

Also, as heretofore, regular army officers and men will be assigned for duty, as specialists, with the National Guard. On the other hand, both Reserve and National Guard officers will be assigned constantly to temporary duty with the regular army proper.

Thus the various components of the Army of the United States will be interlocked and made interdependent. As the whole, in peace time, will be predominately civilian; as the members of the army not in uniform will have means for impressing their views on the regulars in uniform; as the success of the regular establishment will be made to depend upon the success of the Organized Reserves and the National Guard; as all civilian service will be voluntary, and as the civilian forces will be distributed more or less evenly as to population, the very soul of the system will be democratic. Such an army by its very nature cannot be militaristic in the aggressive sense, in the sense of pursuing the science of war as an end sufficient unto itself, in the sense that contradicts democratic institutions and the peaceful instincts of our people. For it will respond readily only to the legitimate demands of national defense. In the words of President Harding, “Every patriotic citizen should encourage the development of these forces, each within its proper sphere.” The plan is economical, democratic—and safe.

# MURDER TO MAINTAIN COAL MONOPOLY

BY CHARLES FREDERICK CARTER

*Extraordinary situation in West Virginia coal fields revealed in Federal court proceedings—Charge of conspiracy between western operators and miners for the purpose of destroying non-union competitors—Evils ascribed to the check-off system*

**B**Y filing in the United States Circuit Court at Indianapolis a suit in equity against the officers and members of the Executive Board of the International Organization of the United Mine Workers of America and all the members thereof—likewise against the Jackson Hill Coke and Coal Company, the Queen Coal and Mining Company, Rowland's Power Consolidated Colliery Company, Lower Vein Coal Company, all Indiana corporations, and P. H. Penna, J. K. Seifert, J. H. McClelland and W. J. Snyder—on behalf of itself and sixty-two other coal companies operating in Mingo County, W. Va., and Pike County, Ky., the Borderland Coal Corporation has at last placed in court records the story of twenty-three years of arson, assault and assassination in West Virginia.

In addition to this civil suit, indictments are also pending in the same court against substantially the same defendants—that is, against the leaders of the United Mine Workers' organization and the coal operators of Ohio, Indiana, Illinois and Western Pennsylvania—for conspiracy to increase the price of coal. No date has been fixed for trial under these indictments, but the Department of Justice is said to be preparing to bring the parties to trial at an early day.

As set forth in plaintiffs' bill, the long series of outrages in West Virginia, including 500 murders, un-

numbered assaults and lesser crimes, amounting on several occasions to nothing less than armed insurrections requiring the intervention of troops, which has cost the coal operators and the taxpayers of the State and of the country at large a good many millions of dollars, is the result of a conspiracy between coal operators in Indiana, Illinois, Ohio and Western



(© International)

JUDGE ALBERT B. ANDERSON  
United States District Judge at Indianapolis

Pennsylvania, known as "the Central Competitive Field," and the officials of the United Mine Workers. The conspiracy was inspired, as recited in the bill, by the operators in the Central Competitive Field, who wanted to retain a monopoly of the coal market in the Central West, freed from the inconvenient competition of West Virginia, and by officials of the United Mine Workers, who wanted the aid of the operators in collecting millions of dollars from miners. By a formal agreement entered into Jan. 26, 1898, and continued in full force and effect to date, the United Mine Workers undertook to unionize the mines of West Virginia as the only effective way to make competition impossible, in consideration of certain concessions from the operators in the Central Competitive Field, including the "check-off" [a system by which assessments are deducted from union men's pay before they receive it].

Judge Albert B. Anderson, in the Federal District Court at Indianapolis, on Oct. 31, 1921, upheld plaintiffs' contention that a conspiracy existed, and therefore granted an injunction forbidding further efforts to unionize West Virginia as an attempt to monopolize the coal industry and as a violation of the Sherman act, and also enjoining further collections of money from miners through the "check-off."

Under their own constitution and by-laws and the agreement with the operators, officials of the United Mine Workers have the power to demand any sum they see fit to be deducted from the wages of miners by their employers and turned over to them. Sometimes the deductions collected by the operators amount to as much as \$3 a month, or at the rate of \$36 a year, per man. As the union claims a membership of 585,000 it will be seen that very interesting possibilities are involved. The actual gross revenues of the organization, including sums spent both by the national organization and by locals, it is alleged amount to \$15,000,000 a year.

Breathing threats of a nation-wide coal strike at every turn of the wheels, the union officials and their attorneys hurried to Chicago, where they applied to the United States Circuit Court of Appeals for relief. It was granted on Nov. 4, the court allowing an order temporarily suspending the injunction against the check-off pending an appeal from the entire injunction to be heard Nov. 16. In all other respects but the check-off, the injunction was allowed to stand until disposed of by the court. On Nov. 16, Judges Baker, Alschuler and Evans of the United States Circuit Court of Appeals devoted the entire day to hearing arguments on the injunction. A decision was promised within sixty days.

#### THE MOTIVES INVOLVED

In order that this almost incredible story may be understood, it is necessary to explain certain conditions. West Virginia is pre-eminently a coal-mining State, having 9,500 square miles of coal lands, from which it is estimated that 60,800,000,000 tons of coal can be mined. All coal in the State is very high grade; the famous smokeless coal, such as is supplied to the navy, is the best known. Veins are unusually thick. Between Williams-town and Bluefield the Norfolk & Western Railroad passes through a tunnel cut entirely in a vein of coal. Most of the veins worked range from 4 to 11 feet in thickness. Most of the mines, being above water level, have been developed by drifts, the coal being delivered by gravity to the tipples beside the railroad track. Under these unusually favorable conditions the mining industry has developed rapidly, production increasing from 20,220,721 long tons in 1900 to 77,180,060 long tons in 1917, which was a little more than 15½ per cent. of all the bituminous coal mined in the country in that banner year.

Not being an industrial State, more than 90 per cent. of West Virginia's entire output of coal must be shipped through competitive coal fields to distant markets. The most important





(Wide World Photos)

Federal troops disarming miners who have been carrying on a private war for the unionization of the West Virginia mines

fuel market is the Middle West, including that part of the United States and Canada served by the Great Lakes. The bulk of West Virginia coal has always been marketed in the Middle West; but prior to 1897-8 the operators in the Central Competitive Field enjoyed a monopoly of the lake trade, being able to adjust prices to suit themselves.

Coals from the Central Competitive Field are not equal in quality to those from West Virginia, so the latter received the preference when offered in the lake trade. About 1898 West Virginia competition began to be felt. A further disadvantage of a majority of mines in the Central Competitive Field is that, owing to natural conditions, costs of production under any circumstances must be higher than in West Virginia, thus neutralizing the advantage of being nearer to market.

But the controlling factor is that the mines in the Central Competitive Field are virtually in control of the United Mine Workers. It is well known that the policy of labor unions

is to restrict production—to extort the highest possible wage for the smallest possible equivalent in work. Statistics show that the average daily production per man in non-union mines in West Virginia is 18 per cent. higher than in the union mines of Illinois.

To overcome these handicaps two means were open to operators in the Central Competitive Field—the discriminative freight rate and the union agitator. Both have been used, the latter proving by far the more effective.

#### CHARGES AGAINST THE UNION

Continuing the narrative from allegations set forth in plaintiffs' bill, it is charged that the conspiracy referred to was formulated at a joint conference of operators and miners from Illinois, Indiana, Ohio and Western Pennsylvania at Chicago on Jan. 26, 1898, in an agreement signed by both parties, the eighth paragraph of which was as follows:

That the United Mine Workers' organization, a party to this contract, do hereby

further agree to afford all possible protection to the trade and to the other parties hereto against any unfair competition resulting from a failure to maintain scale rates.

In union parlance "unfair" means "non-union." The only non-union field competing with the four States mentioned is West Virginia. Hence paragraph eight must be interpreted to mean that the United Mine Workers undertook to prevent West Virginia from becoming an effective competitor of the four States. The only way that could be done was by organizing the West Virginia mines, thus making it possible to restrict production and otherwise harass and impede the operators in that State.

It appears that for a number of years the proceedings of the joint conferences of the United Mine Workers and operators in the Central Competitive Field were reported by official stenographers and published—solely for the information of the two parties to the agreement; but the efficient secret service of the West Virginia operators procured copies, until, this fact becoming known, publication was discontinued.

Quoting from these official reports, plaintiffs' bill gives an outline of the progress of the alleged conspiracy. Thus at the joint conference in 1899 Ratchford, retiring President of the United Mine Workers, is alleged to have said:

The West Virginia miners, by reason of the efforts of our organization, have been hampered and injured more within the past year (i. e., since the alleged conspiracy was formed in 1898) than in any year they have been operating.

Quoting from the report of the joint conference of 1910, Mr. Maurer, coal operator from Ohio, is represented as saying:

The chief evil was the fact that districts which did not recognize the United Mine Workers and had no agreement with them produced coal much more cheaply than those districts which sustained contractual relations with that organization. In order to correct these most harmful conditions, a joint convention of operators and miners of Western Pennsylvania, Ohio, Indiana and Illinois, at the solicitation of the miners' officials, was called to meet at Chicago in

1898. At this convention an interstate joint agreement was established. The granting of the eight-hour day by the operators, after making numerous other important concessions, was with the distinct understanding and explicit promise of the miners to give the operators, of the four contracting States adequate protection against the competition of the unorganized fields.

It should be noted that while coal is produced much more cheaply in non-union mines, the men actually earn higher pay than union men. This fact is well authenticated.

William Green, Secretary-Treasurer of the United Mine Workers and one of the defendants, is represented as saying in reply to Mr. Maurer's complaint, among other things:

The United Mine Workers of America have diligently and aggressively attempted to carry out the promise made in Chicago in 1898; they have done everything in their power to redeem any promise they may have made to organize West Virginia. Since 1898 our organization has at various times spent hundreds of thousands of dollars trying to unionize West Virginia. We have also sacrificed human life in the attempt to redeem that promise.

At the joint conference of 1912 President John P. White of the United Mine Workers is represented as saying that

Every effort has been put forth to try to break down the conditions that are complained of here on the other side.

One of these efforts, presumably, was the strike on Cabin Creek and Paint Creek in 1912, which resulted in the calling out of the militia and the usual investigation, which carefully avoided revealing any fundamental facts.

At the same conference Duncan McDonald, Secretary-Treasurer of the United Mine Workers of Illinois, is represented as saying in part:

Penitentiary doors have no terrors for us \* \* \* If putting two or three hundred of our men in jail will organize West Virginia, we will send two or three hundred down.

As men are not usually sent to the penitentiary until after conviction of felonies, Mr. McDonald's alleged remarks are suggestive.

The foregoing quotations are fair



(Wide World Photos)

Soldiers guarding the coal mine at Blair, W. Va., a typical scene in the region long harassed by labor troubles

samples of many pages of similar material in plaintiffs' bill.

#### REVOLUTIONARY PURPOSES

Continuing, this amazing narrative recites that in 1912 the United Mine Workers definitely abandoned the trade union movement and became revolutionary, treasonable and anarchistic in character, quoting from the constitution of the organization and from speeches of its members to sustain the assertion. It is alleged that the Mine Workers, after obtaining complete control through unionizing the mines, purpose to seize the properties without compensation to the owners.

This appears to be generally understood throughout West Virginia, for in testifying before the Senate Committee "investigating" conditions in the State recently, W. M. Wiley, Vice President of the Boone County Coal

Corporation, declared that the Mine Workers meant to pull down the Government and put themselves in place of it.

It is charged that the object and aim of the United Mine Workers is to drive out of the market all coal produced by non-union mines; and that owing to the restrictions and unreasonable regulations imposed by the union on all organized mines, and on account of the constant bickerings, disputes and strikes arising therefrom, resulting in the loss of time to employees and loss of production at the mines, the cost of production is so unreasonably and unnecessarily enhanced that union coal cannot compete with non-union.

As an interesting sidelight on these conditions the fact may be noted that one of the grievances aired by operators of the Central Competitive Field at a joint conference was



that the good union miners, irritated beyond endurance by their masters, the union officials, were forsaking the beatitudes of the organized field and emigrating to the non-union fields of West Virginia, where they could work in peace and not be held up at the paymaster's window by the check-off.

Declaring that ever since 1898, when the alleged conspiracy was entered into, the parties thereto had energetically endeavored to bring about the results for which the conspiracy was formed, and that in furtherance of this object the United Mine Workers had used every form of threat, intimidation, violence, murder, insurrection and destruction of property to impose their will upon coal operators and their employes, some of the outstanding outrages in the State are described. These include the march in the Fall of 1919 of 5,000 armed men commanded by officials of District No. 17, United Mine Workers, from the union fields of the Kanawha, Cabin and Paint Creek districts, at a time when there was no strike or other labor trouble in these districts, with the announced intention of invading the non-union field in Logan County, fifty miles away, where also there was no labor controversy, to compel by force of arms the unionization of the field.

A similar invasion was staged in Mingo County about May, 1920, resulting in the declaration of a strike by the union about July 1, although there were no union miners there and the non-union men were satisfied with wages and working conditions.

The President of District No. 17 of the United Mine Workers, embracing Mingo County, West Virginia, testified that in the year ending July 1, 1921, the union had spent \$2,600,000 in the war in Mingo County. During the war they killed 22 men, some of whom were officers of the law. On this showing it costs the United Mine Workers \$118,000 a head to kill non-union men in West Virginia; but money is no object, for it is all collected through the check-off.

It is charged that the defendant companies, parties to the alleged conspiracy, knew at the time the agreement with the United Mine Workers was made that the sums they collected through the check-off and delivered to the union treasurer were to be used for the purchase of arms and ammunition and to maintain an armed force to murder non-union workers employed in West Virginia. They are further charged with the knowledge that the union men, victims of these compulsory collections, would not voluntarily contribute any part of their earnings for such a purpose. Without the check-off the union could not maintain a war chest, and hence the long period of outrages would automatically come to an end.

#### RESULTS OF OUTRAGES

The ruthless system of intimidation, outrage and murder described has resulted in the unionization of 53,000 out of the 88,000 miners in West Virginia. The operators who were thus involuntarily brought into the union fold have plenty of leisure to contemplate their condition, for most of the union mines in the State are idle. It is said that 90 per cent. of the mines in the unionized New River field are now shut down altogether. Organization has not proved to be the effective antidote for competition it was expected to be.

On the other hand, the non-union fields, since United States soldiers and State police took charge of the districts, are producing coal in peace now, although they are apprehensive of another outbreak just as soon as soldiers and policemen are withdrawn. The United Mine Workers are now maintaining three separate armed camps in the Mingo field with their guns hidden away, but ready at hand to be used as soon as the coast is clear. Those camps are nothing more or less than continuing threats meant to intimidate non-union men and their employers.

#### MR. VINSON'S CHARGES

Facts being as set forth in the foregoing, and as they are generally

known throughout West Virginia, it may seem incomprehensible to the outsider that legal action was not taken long ago to end an intolerable situation. Replying to a question on this point, Z. T. Vinson of Huntington, W. Va., senior counsel for the coal companies bringing suit, said:

"The war on Paint and Cabin Creeks in 1912 was financed to such an extent that the United Mine Workers had millions of dollars to back them up, to pay expenses and to furnish guns and ammunition. They were able to fight until these mines were practically exhausted and had to submit in 1914 to be unionized. At that time, of course, the war was going on in Europe and the market price of coal had begun to soar to such heights that competition between the coals produced in West Virginia and those mined in the Central Competitive Field no longer existed. The reasons for unionizing West Virginia mines did not come back into play again until the Summer of 1920, when the attacks by the Mine Workers' organization, with money furnished by the check-off system, began on the Mingo fields. The operators in this field felt that the military authorities of the United States as well as the State of West Virginia would restore peace and stop assaults of the Mine Workers' organization upon their mines, and consequently did not go into court until the present Summer. At last the Mingo mine owners decided to bring suit in order to stop the collection of money through the check-off, knowing that if they could accomplish this it would end the war and peace would be restored.

"You will appreciate the fact that the mine owners in the coal fields north of the Ohio River collected all this money from employes and turned it over to the leaders of the Mine Workers' organization to be used in maintaining this war, hiring men, purchasing guns and ammunition and dynamite with which to shoot and blow up the mines of non-union competitors in West Virginia and Kentucky fields. Of course we took the ground that this arrangement was not only illegal, as the money was to be used for an unlawful purpose, but was to the highest degree criminal upon the part of the unionized operators as well as the leaders of the Mine Workers' organization.

"There is not only a basis for criminal prosecution in this respect, but already indictments have been made against the United Mine Workers as well as the mine owners for this conspiracy, which indictments are now pending in the court of Judge Anderson at Indianapolis.

"One of the reasons, and I may say the particular reason, why these conspiracies have not heretofore been proceeded against criminally is because Congress in making appropriations for the Department of Justice always tacks a rider on providing that no part of the money so appropriated shall be used in the prosecution of labor organizations."

Putting Mr. Vinson's words into still plainer English, he charges that Congress, by formal enactment, recognizes a union card as a license to commit murder or any lesser crime.

# HOW RESTRICTED IMMIGRATION WORKS OUT

BY WALTER W. HUSBAND  
Commissioner General of Immigration

*An authoritative study of the effects of the new law limiting immigrants to 3 per cent. of the number in the United States in 1910—Proportion of northern Europeans increased—Facts and figures on the various quotas*

NOT only is immigration being kept within reasonable limits by the new immigration act, which became a law on May 19, 1921, but the percentage of immigrants reaching this country from Northern and Western Europe has been increased greatly by its workings, as compared with the percentage under the unrestricted plan in vogue in 1913.

Americans who return from Europe in these days bring back the information that millions from Europe would come here if economic and other conditions made it possible. The disturbances in the political and economic situation abroad are powerful incentives to emigration for the average man. Emigration to South America is said to be rapidly increasing; Germany, in particular, is showing much interest in the future possibilities of that part of the Western Hemisphere. But the United States, as it has been for decades, is still the goal of the average European who plans to begin life anew outside his native land, and the aftermath of war is proving so unbearable in many European countries that the prospect of migration to America seems to offer even more advantages now than in the past.

The depreciation in the value of European currency has done something to check the tide of humanity from swamping us, but that alone would not be sufficient. Congress

realized, when the flood of immigration came upon us a little more than a year ago and when the facilities for receiving the incomers were found completely inadequate, that there would be practically no limit to the movement toward this country unless restrictions were imposed by law. The result was the passage of a bill in the House of Representatives last Winter providing for a temporary suspension of immigration, and the acceptance by the Senate of a plan providing for a per centum limit. The latter proposal was accepted by both houses, and was ready for President Wilson's signature last March. The signature was not obtained, however, and as a consequence the present law was not enacted until last May, when the new Administration was in power.

The new plan is radical and far reaching. The act itself comprises only a few hundred words. It provides that the number of aliens admitted annually from countries covered by the act shall not exceed 3 per cent. of the number from those countries already in the United States in 1910. The 3 per cent. quota applies to all the European nations and to certain others.

There are numerous exceptions under the law, all designed to prevent hardship in individual cases and to facilitate the free movement of travelers. Aliens in transit through this country and aliens lawfully admitted,



who may be in transit through adjacent territory, are not affected by the act. The status of immigration from the Asiatic countries already covered by immigration laws is not affected. Aliens under 18 years of age who are the children of American citizens are likewise excepted from the operations of the law.

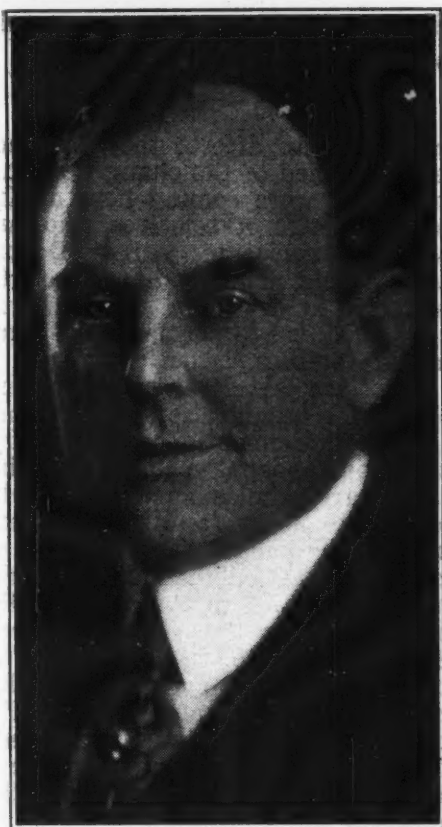
Analysis of the provisions of the act shows that it applies only to Europe, Transcaucasia, Turkey in Asia as it existed before the war, Persia, Africa, Australasia, the Atlantic Islands and part of the Pacific Islands. It is, of course, from just these parts of the world that immigrants have been arriving most freely, and the necessity for checking the migration had long been urged by many authorities. Southern and Eastern Europe and Asiatic Turkey

had supplied large numbers of immigrants in the years directly preceding the World War, and it soon became evident, once steamship service was resumed after the armistice, that these regions would send more people than it was believed we could assimilate.

Naturally, the tendency in some cases has been to exceed the quotas, particularly the monthly quotas. Some countries, from which there has been comparatively little immigration, and which are only moderately represented in the cosmopolitan American population, are unfavorably situated as the act now stands. One of these countries is Spain. There were in 1910 comparatively few persons in the United States of Spanish nativity, and Spain's quota is accordingly very low. Yet the unfortunate economic situation in Europe has affected Spain as well as most of the other countries, and this country is, in effect, somewhat discriminated against. In view of the fact, however, that Spanish immigration normally proceeds to countries of Central and South America, which, for the most part, have Spanish-speaking populations, the hardship is less severe than it would be otherwise. Emigrants from Spain can ordinarily adapt themselves better to the life of Argentina, for example, than could those from non-Spanish-speaking countries.

The annual quota of immigrants who may enter this country has been fixed, under the terms of the new law, at 355,825. The greatest number that may be landed in any one month is 71,163—that is, 20 per cent. of the total. There is, of course, a greater tendency toward immigration at certain times of the year than at others.

The quotas assigned certain countries are interesting, and they may even prove somewhat surprising to persons not acquainted with immigration conditions. Austria, for example, is entitled to 7,444 immigrants annually, and Belgium to 1,557. Czechoslovakia may send 14,269 persons here; Denmark, 5,644,



(© Harris & Ewing)

W. W. HUSBAND  
Commissioner General of Immigration



(Photo Brown Bros.)  
Slavonian children from Southeastern Europe playing "cat's cradle" in the wretched surroundings of their new home on the east side of New York City

and Finland, 3,890. The quota of France—5,692—seems small compared with these figures. Germany's quota, on the other hand—68,039—appears abnormally large. All these, of course, are based on the numbers of persons resident in the country in 1910, and who were born in the countries mentioned.

Some of the other figures follow: Greece, 3,286; Hungary, 5,635; Italy, 42,021; Jugoslavia, 6,405; Netherlands, 3,602; Norway, 12,116; Poland, 26,019; Eastern Galicia, 5,781; Portugal, 2,269; Rumania, 7,414; Russia, 34,247; Sweden, 19,956; Switzerland, 3,745; United Kingdom, 77,206; Armenia, 1,588. The quota of Spain is only 663 annually.

The unexpected action of this country in adopting restrictions would have led to great hardship in the case of many immigrants who were unaware of what had happened had not the Secretary of Labor, James J. Davis, handled the situation in a most humane and sympathetic way. Large numbers of immigrants were on the way here at the time the

act went into effect; they had not been informed of the changed status, and many were coming here at the express desire of relatives who had lived in America for years. Deportation would not only have wrought hardship to the new arrivals, but might have led to permanent separation of families.

There are certain exceptions specified in the immigration laws, in addition to those mentioned; actors and other professional people, for instance, are admissible under conditions quite apart from the per centum requirements. The number of immigrants actually admitted in July was 30,441 and in August 32,795; the quotas for those months were 28,496 and 30,315, respectively. The quotas, therefore, correspond quite accurately with the numbers actually admitted, and the numerous classes of exceptions do not bring any considerable number of persons into the country.

The actual excess of arrivals over the quota from June 3, when the act went into operation, up to June 30,



Fruit market in a border town of the Caucasus region, where Persian, Turkish, Armenian and Russian types are intermingled. Some of America's immigration problems have to do with nationalities from that part of the world

was 11,741. This excess has, of course, been charged to the quotas of succeeding months. These immigrants were, as has been explained, temporarily admitted on recommendation of Secretary Davis, and subsequently Congress legalized this action; so that the June excess immigrants admitted to the United States temporarily on bond will be allowed to remain.

Complete figures covering immigration charged to the quotas are available up to and including Nov. 23, 1921, about five and a half months from the time the act went into operation. Charges against the quota in that period were 155,604, leaving 201,505 admissible during the remainder of the year. The total admissions in excess of the quota to that time numbered 1,284, indicating that the surplus of 11,471 on June 30 had been largely reduced. Since immigration during the Winter months

is not very heavy, it is probable that the admissions charged against quotas for the first six months of the act's operation—that is, up to Dec. 3—will quite closely approximate one-half the total for the year, or 177,913, for that would imply the admission of only 22,309, to be charged against quotas, from Nov. 23 to Dec. 3. This figure is reasonable, for most of the immigrants affected by the act come through the Port of New York—probably more than 90 per cent. of them, at this time of the year—and total admissions during the weeks ending Nov. 9, Nov. 16 and Nov. 23, respectively, were 11,975, 7,744 and 5,533. The immigrants arriving at New York were, in each of these weeks, more than 90 per cent. of the total.

Naturally, the percentages of quotas admitted from various countries exhibit wide variations. Several countries have already exceeded



their quotas for the year; but these, for the most part, are countries whose quotas are exceptionally low in proportion to their population.

From those parts of Asia not comprised in the zone from which immigration is prohibited the excess over the quotas has been most notable. Turkey's annual quota, for example, was 141.8 per cent., filled in four months; that of Palestine 355 per cent., and certain other parts of Asia 537 per cent. The number of persons born in those regions and resident in the United States in 1910 was small. Other countries in excess of their quota were Spain and New Zealand. Spain's quota for the year has been filled in four months, with 9.5 per cent. over, and New Zealand's with 10 per cent. over. The admissions in excess of the yearly quota were all temporary, mainly in June, and their status will be determined later.

Countries which are approaching the limits of their quotas include Portugal, 81 per cent.; Jugoslavia, 82.5 per cent., and Greece, 86.7 per cent. Austria, Finland and Russia are the only countries of Southern and Eastern Europe that have not sent at least 50 per cent. of their quotas, but the Russian quota is so large that restrictions on movement from that country keep the average down for Southern and Eastern Europe as a whole.

In compiling immigration statistics, distinction is usually made between the countries of Southern and Eastern Europe and those of Northern and Western Europe. The former are mainly Latin or Slav, and the latter mainly Nordic or Teutonic types. Immigration from Southern and Eastern Europe was generally considered excessive before the war, and restriction applying to that area was continually agitated. On the other hand, the movement of aliens from the United Kingdom, Scandinavia and Germany had been decreasing for several decades.

The countries of southern and Eastern Europe, as has been shown,

exhibit a tendency to overflow their quotas. Immigration from Russia has, of course, been practically impossible, and as for Austria, it has been difficult for would-be immigrants to consider payment of transportation rates to this country in the depreciated Austrian money.

While the southern and eastern countries are showing this excess over their quota, however, the nations of Northern and Western Europe, except for Belgium and Luxemburg, have not exceeded 50 per cent. of the total annually admissible. Immigration from the United Kingdom in the first four months reached only 26.5 per cent. of the quota; Denmark, 25.9 per cent.; Norway, 18.7 per cent.; Sweden, 18 per cent., and Germany, 8 per cent. Figures for six months will approximate 30, 30, 23, 25 and 12 per cent. respectively. The exchange situation in Germany has probably had some effect on the movement from that country, though there was a steady increase during the Summer months. In July there were 697 German immigrants to America; in August, 966; in September, 1,756, and in October, 2,569. November figures will exceed 2,000. The northern and western countries of Europe, however, had exhausted only 20.3 per cent. of their quotas for the year in the first four months, and probably the figure will not reach much more than 25 per cent. now.

The effect of the law, of course, will be to restrict immigration largely to those countries which were well represented in the population of the United States in 1910, before the number of immigrants from Southern and Eastern Europe became so great. In 1913, the last year of unrestricted immigration, only 14.91 per cent. of the total immigration from Europe to this country came from the northern and western countries, and 84.88 per cent. from the southern and eastern countries. The percentages under the new law to Oct. 1 were 33.76 and 95.96 respectively, and these figures probably have not

been materially changed since then. The relatively satisfactory political and economic conditions in northern and western countries of Europe which were less affected by war than the others tend to keep the inhabitants of these countries within their own borders. The operation of the

law to date, however, seems to indicate that it will not only prove effective in keeping immigration down to an amount that the United States can absorb, but will tend to introduce to this country people who, as past experience has shown, assimilate very readily.

## EASTERN EUROPE'S JEWISH REFUGEES

LULLED by the strenuous activities of the American Relief Administration in Europe, and especially in recent weeks in Russia, the world, which on the whole knows compassion, has given little heed to a gigantic sum of human suffering on Europe's southeastern frontiers—that, namely, of the dispossessed and exiled Jews in the Ukraine, Bessarabia, Poland and near-lying territories. The nature of this suffering is indicated in a report made by Mr. Bender-sky, in charge of the Central Ukrainian Relief Committee at Kishinev. In Bessarabia, alone, he says, some 30,000 Jewish refugees are homeless and temporarily quartered; 6,000 pogrom orphans are in the Rovno (Poland) region; 28,951 had to be cared for by the Warsaw Bureau in the first seven months of 1921.

Dr. Noah Prelutzki, a former member of the Warsaw Diet, who came to America as a representative of the Central Relief Committee of Warsaw, declared in New York in November that there were upward of 50,000 registered Jewish refugees in Poland, and between 60,000 and 70,000 more in Rumania. He continued:

They have reached those countries after hardship and suffering almost indescribable. They represent practically every class of the population; there are those who were people of wealth and social position, but who are now reduced to beggary; there are teachers, lawyers and physicians; there are the middle bourgeoisie and there are artisans and the unskilled laborers and small tradesmen. They have suffered alike and are alike penniless. \* \* \* How heavily the Jews have suffered can scarcely be realized. Villages in which Jews constituted from 80 to 90 per cent. of the population simply no longer exist. There is scarcely a single Jewish child less than 7 years of age left in the Ukraine. A few of the children have escaped to other countries; the rest have perished. I think it is safe to say that for every

Ukrainian Jew who has died of violence, two have died from exposure or disease incident to their flight. Emigration is prohibited by the authorities. This means that the refugees travel by night, hiding during the day in the forests. Few have enough food for their journey. They must go through the forests, and are the prey of banditti, who steal not only their goods, but their papers of identification, and even their clothes, leaving them half naked. \* \* \* They come to us starving and shivering, barefooted and with only a few rags to cover their nudity. They pour into the already overcrowded cities, only to be herded into barracks. There is every chance for the rapid spread of typhus and other diseases. The mortality is consequently high, and the refugees are a distinct menace to the health of the community in which they find shelter.

Mr. Prelutzki appeared before the Executive Committee of the Joint Distribution Committee at the home of the Chairman, Felix Warburg, and made a plea for an increased appropriation from the Jewish Relief Committee funds (which the Joint Distribution Committee disburses) for work among these refugees in Poland.

Louis Marshall, President of the Jewish Relief Committee, made a public statement on Nov. 27, in which he stressed particularly the tragedy of the refugee children. He made it plain that the appeal for \$14,000,000 which is being made by the committee was a direct answer to the cry of 300,000 orphans, robbed by the war of their natural protectors, and now perishing from hunger and cold. Although Mr. Marshall placed what he termed "the children's tragedy" in the first category, he pointed out that it was, after all, only a part of the whole Jewish problem in Europe. Fifty per cent. of all houses belonging to Jews in Eastern Europe had been destroyed. In Rumania, Galicia, Eastern Poland, Southern Russia and Lithuania the destroyed houses approximated 90 per cent.

# PORTO RICO'S PLAYFUL POLITICS

By H. P. KRIPPENE

*A friendly glance at the persistent demand for independence, in view of the marked advantages which Porto Ricans enjoy under American rule—Industries and products of the island*

IT may be reasonable to assume that Santo Domingo has a claim to independence, for this little republic was somewhat brusquely deprived of its sovereign rights by a military government of the United States; but the insistent clamor for "this panacea of all social evils" which comes from the Island of Porto Rico more than passes human understanding. It has, perhaps, an explanation—petty politics.

Porto Rico was rightfully acquired from Spain by treaty and payment. At the time of the acquisition, the Porto Ricans welcomed the Americans with the greatest profession of friendship, and it must be said to the credit of the American Government that few nations have done more for any one of their possessions than the United States has done for Porto Rico. A little more than twenty years ago, when the American troops first landed in San Juan, they found the island as undeveloped as Santo Domingo is today, with perhaps one exception—the bases for the excellent roads which they now have had already been laid by the Spaniards. San Juan, the capital, was a squalid village, lying low on a marshy waterfront; the land in the interior for the most part was uncultivated or low in fertility because of centuries of planting; business was poor, and the people, as a whole, were impoverished.

Today Porto Rico is the pearl of the West Indies. As one enters the picturesque harbor of San Juan, one is impressed at once with its beauty. To the left looms up impressively against

the deep blue of the tropical sky the old fortress of El Morro; long stretches of mellow white buildings on the waterfront stand out sharply in relief against the green background of feathery palms; gleaming white roads wind out from the city and are lost in the luxuriant foliage of scarlet-flowered flamboyants; it is an artist's Arcadia, and an Arcadia tempered by trade winds. Within the city itself, narrow streets, a few low, heavy buildings with filigree balconies flung up against the sky, here and there a beggar or goat, competitive scavengers of tropical streets, are all that remain to mark a fading Spanish influence; all but the romance of effect which even modernism will never destroy.

The Porto Ricans of today are the descendants of the Spanish colonists who came to the island after it was discovered by Columbus and of the Borinquen Indians whom they found living there. The latter died rapidly under the harsh treatment accorded them by their conquerors, and negro slaves were eventually imported to relieve the labor shortage. These, too, by intermarriage—usually into the lower class—gradually became a part of the Porto Rican race. The country people, as a rule, constitute the lower class. They are simple, trusting, naturally courteous, charming to strangers, and usually honest, though not industrious. The upper class is composed of refined, cultured, and progressive men and women. Many of them have been educated in American colleges and universities, have



traveled extensively, and are cosmopolitan in ideas and customs. Very often the women are strikingly beautiful, their Spanish characteristics, combined with the American woman's independence, which they are rapidly acquiring, making them extremely attractive. What is especially pertinent at this juncture is that they have become, as a whole, thorough American citizens.

Spanish customs have prevailed for centuries in Porto Rico, but during this last generation a great change, essentially accelerated by the late war, has been taking place. Today the young women of Porto Rico ride their horses astride, à la Americana, though occasionally the shutters of some staid old Spanish home still rattle as they pass; suitors no longer watch wistfully the balconies of their novias, promoting flirtations from afar; an American sojourning in San Juan for the purpose of improving his Spanish is apt to forget the little he already knows. It is still possible to see here and there, as one loiters in the parks, passing delightful evenings, the brilliant colors of Spanish mantillas artistically thrown over heads and shoulders, and on warmer evenings to hear the ris-ras of fans as they, Castilianlike, are snapped open and shut; the poetry of Porto Rico still exists in effects, but the fundamentals are all American.

#### PORTO RICO AND THE WAR

During the war, after Camp Las Casas had been established on the outskirts of San Juan, about 17,000 men either volunteered or were drafted to the American colors. Most of the recruits came in from the country, and the majority of them were extremely illiterate, undernourished, and poorly clothed. Eighty per cent. of them, perhaps, had never worn shoes, and had eaten only rice and plantains since childhood. Three weeks after these men had been organized into companies they were taken on a short march, carrying no equipment, and they came back, a straggling, disordered, exhausted mass. Three months

later, under a hot tropical sun, they were taken on a twenty-mile hike with full packs, and not one of them dropped by the wayside. Expert medical and dental care, the daily army ration, and scientific physical exercise daily had changed weak men to workers, failures to fighters. The work did not stop here. The healthful camp life, constant medical inspections, good food, the daily bath, athletics and amusements, all contributed not only to a vigorous physical reaction, but to a quickening of the mental processes which also became noticeable. Peons who had entered camp with dazed, uncomprehending eyes, ignorant even of their own language, began to appear on the field with polished boots and well-pressed uniforms, carrying their heads erect, saluting with alacrity, and snapping to orders in a foreign tongue. They seemed to awaken to the fact that, they, too, were men, and the American uniform gave them the courage of their convictions. Eventually they began to express a desire to learn to read and write, and classes were formed and taught by non-commissioned officers.

It must not be assumed, however, that the bulk of the enlisted men who made up the Porto Rican army were necessarily typical Porto Ricans. American schools had been extending education to thousands of children since the time of the occupation, and the teachers had been building bodies as well as minds. Of about 800 officers, 80 per cent. were Porto Ricans, and they were, as a whole, strong, intelligent men, representative of the city type of the island. The enlisted man, however, was representative of the lower class living out in the hills; people, who, up to the time of the war, had scarcely felt the influence of American schools and their ideals. It may appear singular that the bulk of the army was made up of this type, but it can be explained, perhaps, by the fact that Porto Rico was passing through a period of exceptional business activity, and the educated and skilled workers were able to avoid the

draft to a great extent because they were extremely necessary in their various occupations, whereas the peon had little or no responsibility.

When the men finally returned to their fields and to their employers it was generally conceded that their efficiency had been increased tremendously, but the far-reaching result of their life as American soldiers will be shown in the next generation, for their children will certainly be better and stronger citizens. They carried home with them, also, the idea that they were Americans. The majority of Porto Rican families had a son as officer or soldier in the camp during the war, so that the interest in the troops was general. The civilians gradually became infected with the spirit of Americanism. Perhaps some of them were not entirely sure that they wanted the Germans defeated, until the *Carolina*, carrying Porto Rican passengers to New York from San Juan, was sunk by a German submarine; but then, "*Hacia Berlin*" (*Forward to Berlin*), a song written by a Porto Rican officer, was on the lips of thousands of men, women and children in the country.

#### AMERICAN DEVELOPMENT

When the Americans entered upon the task of developing Porto Rico they put into execution at once a well-conceived plan for public improvement. In the larger cities of San Juan, Mayaguez and Ponce hundreds of unsightly huts, considered dangerous from the standpoint of fire and disease, were condemned and destroyed. Sewers were constructed to carry away the filth which ran openly in the streets. Exquisite public buildings of reinforced concrete replaced the old mortar structures of the Spanish regime. Roads were quickly completed and efficient schools constructed. The sanitary commission, facing a problem of smallpox, malaria and bubonic plague, began the tremendous work of exterminating epidemic diseases. The plague was controlled by a persistent and scientific campaign of rat exter-



(© Harris & Ewing)

E. MONTGOMERY REILLY

*Governor of Porto Rico, whose administration has met with organized opposition*

mination; malarial swamps were drained, and a general public clean-up was ordered. Within a period of five years Porto Rico became a healthful winter resort.

Public improvements developed civic pride. Individuals began constructing homes and buildings with a view to beauty as well as service. An architect, who has lived in Porto Rico for years, has eventually developed a style which, though based primarily on Greek lines, has a decided Porto Rican atmosphere. During the year of 1918 a series of earthquakes affecting the whole island destroyed a greater part of Mayaguez, and many of the old mortar-type buildings in Ponce and San Juan also crumbled under the shocks. In nearly all cases the ruined buildings have been replaced by structures of reinforced concrete, for it was found that buildings of this type had not been affected by



(Wide World Photos)

**ANTONIO R. BARCELO**  
*President of the Porto Rican Senate and  
 leader of the Majority Party*

the shocks. As Porto Rico produces no timber, lumber is expensive, and it is natural to assume that concrete will be the building medium of the future. From the standpoint of beauty, this is especially fortunate, for the homes so built are usually not only more artistic in design, but the color of the cement mellows quickly under the tropical sun and never blackens in the soot-free air.

In the matter of schools, Porto Rico has been especially fortunate. Before the arrival of the Americans scattered Catholic missions furnished a grammar education to the few who could afford it, but the masses had no opportunity of self-improvement. Today Porto Rico boasts of the most beautiful schools in the West Indies. Fine, large concrete buildings with appropriate playgrounds can now be found in all parts of the island. The University of Rio Piedras, situated

on the outskirts of San Juan, not only offers letters and science, but it also has a Normal Department in which Porto Ricans are trained for grade work on the island, and efficient commercial, manual training and domestic science departments. The University of Mayaguez, on the other end of the island, with its modern experimental and agricultural stations, works in conjunction with the University of Rio Piedras.

Compulsory education, a modern curriculum, and a corps of American teachers, who almost without exception have been graduated from colleges and universities in the United States, offer to the young people of Porto Rico opportunities which no other people in the West Indies enjoy. The Normal Department of the university is making teachers of young Porto Ricans with the idea of eventually replacing the American teachers, who today still hold the higher grade, high school and university positions. Paul G. Miller, Commissioner of Education, a former professor in the University of Wisconsin, is largely responsible for the rapid progress which has been made in all branches of education in Porto Rico.

#### PRODUCTS OF THE ISLAND

Porto Rico is still an agricultural State, though this is true partly because of her peculiar relationship to the United States, for the exhausted state of her land does not warrant this condition. Cocoanuts, fruits—chiefly oranges, bananas and grapefruit—and coffee are produced in large quantities, though thousands of tons of fertilizer are necessary annually to produce fruits of good quality. Fruit growers, as a whole, have not found fruit-growing a profitable occupation, for the high cost of fertilizer, coupled with the fact that the average grapefruit tree lives only about sixteen years in Porto Rico, reduces possible profits to a minimum, and this minimum is usually absorbed by the brokers in New York through the manipulation of the fruit market.

Tobacco production has been devel-



oped to a state of perfection. Most of it is now shade-grown, and brings usually a high price in the tobacco market. Two years ago Porto Rican tobacco was selling for \$1.25 a pound in New York, though now, because of the disorganized condition of the market, it is worth very little in comparison. Although approximately 25,000,000 pounds of an inferior class of tobacco are produced annually in Santo Domingo, the low price of this tobacco—it usually sells for about 8 cents a pound f. o. b. Santo Domingo—would make it attractive to some American purchasers but for the fact that because of Porto Rico's peculiar status Porto Rican tobacco pays no duty into the United States, while Dominican tobacco pays 35 cents for leaf and 50 cents a pound for stripped tobacco. One of the large American corporations interested in tobacco in Santo Domingo last year stripped and fermented thousands of pounds of the finest Dominican leaf, and was able to place it in the Custom House in New York at 50 cents a pound at a profit, but the high duty of 50 cents a pound made it impossible to compete with Porto Rican tobacco, which was selling slightly under \$1 a pound.

Dominican tobacco, up to the present time, has not been cultivated to any extent, and as a result it has never been considered a high-grade tobacco. The land is still so rich that the tobacco grows rank; the seed is usually planted and the tobacco then receives no care until it is ready for market, the fermentation taking place within the seroon in which it is packed, instead of being considered a process in itself. Some of the planters, however, have of late been importing Cuban seed and growing it under shade. This tobacco, carefully tended during the growing season, and later fermented and stripped, is being used by several cigar manufacturers on the island, and in many cases the cigars are considered superior to those of Porto Rican make. It is reasonable to assume that it is only a question of time before Santo Do-

mingo will be producing a leaf which will compare favorably with Porto Rican tobacco, and if Porto Rico, in the meantime, should gain the independence which she is constantly demanding, she may as well relegate her tobacco industry to the burial ground where her sugar industry should long have been, had it not been for the protection of the American tariff wall. Santo Domingo will always be able to produce tobacco and sugar much more cheaply than Porto Rico.

Perhaps the largest industry in Porto Rico is sugar production. Porto Rico cannot be considered a first or even a second class sugar country, and were it not again for the fact that her sugar enters the United States free of duty, whereas the Dominican and Cuban sugars do not enjoy this privilege, it is doubtful whether Porto Rico could continue to produce sugar at a profit. Though large quantities of fertilizer are used in Porto Rico, it is necessary to replant the cane every third season, whereas, in Santo Domingo, without the use of fertilizer, the cane continues growing as long as fifteen years without replanting. Field labor in the latter island is obtainable for 40 cents a day; in Porto Rico a man doing the same work receives approximately \$2 a day. In Porto Rico an expensive chemical control is necessary. A high sugar content is essential since it is not permissible to produce alcohol from the molasses residue. In Santo Domingo, however, most of the mills are not operated under chemical control, for the molasses is distilled into alcohol and rum, both of which bring good prices. It is obvious that if Porto Rico is to hold her commercial position in the West Indies she must retain the privileges she now receives from the American Government.

#### WHY "INDEPENDENCE"?

Viewing, as a whole, the advantages the Porto Ricans now enjoy because they have become American citizens, it is pertinent at this point to question their motives in constant-

ly clamoring for independence. It is significant to note that only about 270 people registered to retain Spanish and other citizenship when the Jones Act made American citizens of the people. This bill did not force American citizenship upon the people. Any one who did not wish to become an American citizen had only to register his desires at the proper consulate, and it is also important to note that of the few who did so very few were Porto Ricans.

The Jones act, though it granted citizenship to the natives, did not define the status of Porto Rico itself, and there has been much discussion as to whether the island should be considered a territory or a possession. It is possible that the State Department has not considered it opportune to define her status, for, as she is neither a territory nor a possession, Porto Rico has been able to retain a very much needed half million dollars annually in the form of internal revenue which, under normal conditions, would revert to the National Treasury.

A singular situation arises when it is considered that in the face of the universal acceptance of American citizenship the Unionists, who have always led the cry for independence, control practically every political office in the island. Since this question has arisen the Republican Party has always advocated statehood, but from the recent elections it appears that it has lost rather than gained adherents. Porto Rico today practically enjoys home rule, for, with the exception of the Governor, who holds his office by Presidential appointment, every political office is in the hands of the Porto Ricans.

There can be but one explanation—petty politics—or in other words, the insistent cry for independence is merely political propaganda, for it is conceivable that the intelligent leaders of the Unionist Party realize that Porto Rico, without the aid of the United States, from the economic standpoint would die overnight. Among the Latin-Americans the cry

"independencia" has always exerted a magic influence, and in the case of Porto Rico it appears to be the wand which the politicians wave over the masses to produce political offices.

EDITORIAL NOTE—Since this article was written the following additional developments have taken place (up to Dec. 10): Representatives of the Unionist Party of Porto Rico arrived in Washington on Dec. 1 to demand the removal of the Governor, E. Montgomery Reilly of Kansas City, who was appointed by the President last Spring. They charge maladministration in office by arbitrarily removing Judges and court officials without trial. They say Governor Reilly took with him from Kansas City six politicians whom he appointed to responsible positions in the island and went out of his way to give offense by appearing in public with Senator Santo Iglesias, a Socialist and alleged supporter of the Russian Bolshevik régime.

Antonio R. Barcelo, President of the Senate, headed the delegation and stated that Governor Reilly had sought to give the impression that the Unionist Party demanded independence; this, he said, was far from the truth, as the party only wanted self-government under the United States. The Unionists polled 120,000 votes in the last election, against 63,000 Republican and 61,000 Socialist ballots. They elected 15 of the 19 Senators. Thirty-nine of the 58 members of the Porto Rican Assembly sent a cable dispatch on Nov. 22 to Felix Cordova-Davila, Resident Porto Rican Commissioner in Washington, asking for the Governor's removal and containing the same charges as those brought later by Senator Iglesias. A resolution in the San Juan Chamber of Commerce to support the Governor's policy was overwhelmingly defeated. The extraordinary number of Americans in Government jobs in Porto Rico since Governor Reilly's advent caused the Senate on Dec. 7 to adopt a resolution calling for a list giving the number and names of Americans employed by the Government of Porto Rico.

Governor Reilly himself arrived in the United States on the steamer Tanamo, which entered New York harbor on Nov. 20 with fire in her hold and sank at her pier the next day. Members of the Governor's party charged that the fire was the result of a plot against his life. On the other hand, the Unionists denied there was any conspiracy and said the Governor's sympathizers were trying to make political capital out of an accidental fire. About a hundred of his opponents awaited the Governor at the steamer pier, hooting and denouncing him and displaying derogatory placards on taxicabs. The Governor eluded them by taking a launch and landing at another pier. He arrived in Washington on Nov. 23 and was later entertained at luncheon by President Harding. He conferred with Secretary Weeks on Dec. 1, defending his administration and suggesting the advisability of constitutional changes in Porto Rico, especially in regard to elections.

# HOW THE CENTRAL AMERICAN UNION WAS BORN

BY THOMAS R. DAWLEY JR.

*A dramatic chapter of recent history, as related by an American eyewitness in Guatemala City—How a good Bishop's sermon overthrew Cabrera—Social conditions that raise doubts as to the new republic's ability to survive—Fall of Herrera*

TO a salute of twenty-one guns, on the morning of Oct. 1, 1921, the flag of the Central American Union was raised in Guatemala. To another salute at 10 o'clock the cathedral bells pealed forth, and the President of Guatemala, Don Carlos Herrera, read before a crowded auditorium in the Centennial Palace a proclamation—signed at Tegucigalpa on Sept. 9—of adhesion to the Constitution of the new republic formed of three of the five Central American States. From a rostrum at the side of the stage an oration was read, a cadet from the Polytechnic School in scarlet cap, scarlet trousers, gray coat and drab leggings bore upon the stage a new silken flag of blue and white, and Don Carlos, stepping to the other side of the stage, unveiled a painted shield with five volcanoes rising out of a sea of green, with a red liberty cap sending out rays of light above them. The spectators cheered, bugles sounded and the band played. Government officials, members of the President's Cabinet, Generals and staff officers took the oath of allegiance to the new flag and the Constitution; more cheering, more music and more bugles followed; the army, marching in review, swore its fealty, and the federation of the Central American States was declared a fact. Both the flag and the escutcheon with its five volcanoes, emblematic of the country's turbulent state after its declaration of independence one hundred years ago, are

the flag and escutcheon of the republic before its breaking up into five independent oligarchies called republics.

According to the new Constitution, the use of Guatemala's flag and coat of arms, with the scroll and emblematic bird, the quezal, is prohibited. Carlos Herrera becomes Chief of State, or, as we would say, Governor, of the State of Guatemala. The Presidency of the republic is vested in a council of representatives, one for each State forming the union, the legislative authority in a congress of Senators and Deputies, and the judicial authority in a supreme court. The seat of the new Government is to be at Tegucigalpa, five days' journey from the Atlantic seaboard by muleback, and the armies of the States forming the union, with all arms and ammunition, must be turned over to this Government. In the future no State can make any purchase of arms or munitions, except such as may be necessary for the use of the police.

Theoretically, the idea of the union of the five little oligarchies into a nation of federated States is a sound and healthy one, worthy of every encouragement, but that should not inhibit a fair presentation of facts and the discussion of them, in order that an opinion may be formed concerning the probability of the federation's ever becoming anything more than a theory.

For nearly three centuries the an-



cient kingdom known as Guatemala, consisting of six intendencies or provinces, Chiapas, Honduras, Salvador, Nicaragua, Costa Rica and Guatemala, extending from the frontier of Mexico to that of Panama, embracing a territory of nearly a quarter of a million square miles, was governed by a Captain General at Guatemala City, and peace was maintained with an army of only 300 soldiers. The people, although poor, were industrious, self-supporting, simple in their habits and requirements, enjoyed complete autonomy in their municipal affairs, and were quite independent both politically and economically. But the flame of insurrection was started on one side in South America, and on the other side in Mexico, and on April 10, 1821, the aged Captain General, Gaivino Gainza, issued a proclamation denouncing the insurrection in Mexico under Iturbide. Iturbide's movement, however, became successful, and he set up an empire. The news filtering through to Guatemala, three

municipalities in Chiapas declared for independence, and by the middle of September an assembly of the dignitaries of Guatemala had declared for separation from Spain. The revolution spread to the other Central American countries, and they regained their independence, but only to plunge into a century of local wars and general chaos. Chiapas joined Mexico, and the other republics went through a seemingly endless series of upheavals, tyrannies and sufferings.

#### THE COMMON PEOPLE

It is not because the people of Central America are intrinsically bad that they have suffered these abuses for the last hundred years. On the contrary, they are a simple, childlike, inoffensive people. Their conception of right and wrong is vague, to say the least. They do not reason. They know only the power of the strong, of those in authority, of those who are well to do, who wear shoes



President Carlos Herrera and His Cabinet: Around the President, who is seated, are standing Señor Mendoza, Minister of War; Padilla, Minister of Agriculture; Escomilla, the Interior; Orla, Public Instruction; Zacina, Estates; Orlas, Administration; Aguirre, Foreign Relations

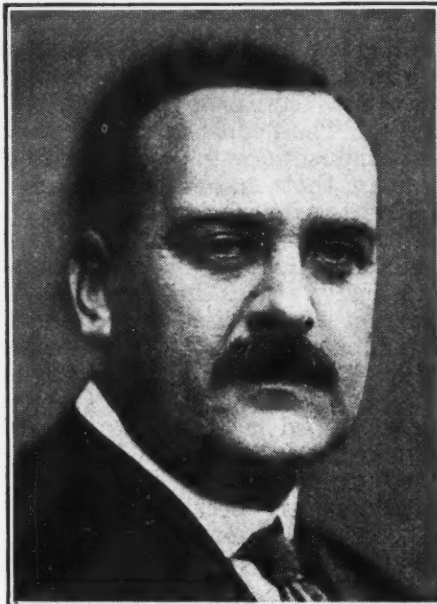
and good clothes. The environment in which they are raised is such, and such their fear of independent action, or even of expressing themselves sincerely, that they simply agree with everything that is done to them or told to them. It is the prevailing spirit of the Toltec, the aboriginal inhabitant, whose submissiveness to the tyranny of his rulers existed long before the coming of the Spaniards.

That the conditions may better be understood it should be borne in mind that two-thirds of Guatemala's population consists of this aboriginal element. The other third is classed as "ladino," the name given to the creole element, the major part of which is also Indian. For example, the Indian who casts aside his ancestral garb and adopts the clothes and language of the creole element enters the ladino class. The ladino class may again be divided into two distinct elements, the proletariat and an upper element, which consists of the wealthy, landed proprietors, professional men, merchants, the educated, the would-be rich and the military men and oligarchs who govern.

A glance at the social and economic conditions of these three elements is illuminating. First we have the Indian population, which, taking the total number of inhabitants as 2,100,000, according to the only census available, gives us a population of 1,400,000 Indians. This population has not only been reduced to a condition of servitude, but for the most part is little better than so many beasts of burden. The Indians' lot is so hard that when one of their number dies, and the body is prepared for its long journey, it is spun around several times in order that the departed soul may not find its way back to this hard old earth.

The proletariat is formed for the most part of the indigent. They are illiterate and own no property, as a rule; few if any of them wear shoes, and they generally lead a hand-to-mouth existence. Nearly all of the artisan class belong to this element. Such homes as they may have, with

the exception of a few of the more advanced type of artisans in Guatemala City, consist of a roof over four mud walls, or an empaling of stakes driven into the ground, with the earth for a floor. They are fortunate if they



(© Harris & Ewing)

**CARLOS HERRERA**

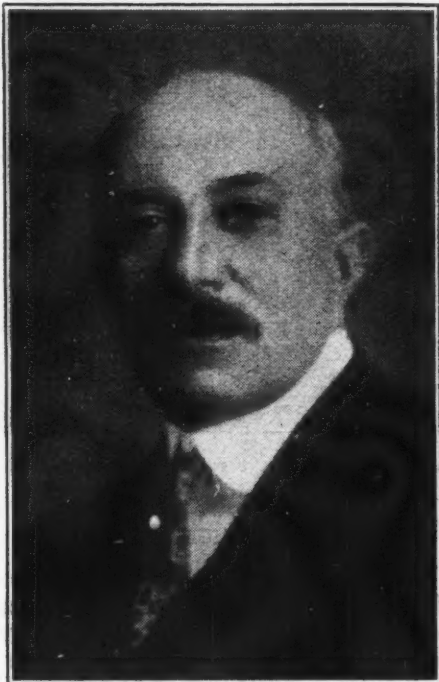
*Former President of Guatemala, whose Government has been overturned by a sudden revolution*

have a table at which to eat, and an extra plate or two for their food. Knives, forks and spoons rarely form any part of their domestic economy. Their cooking arrangements in the city usually consist of an elevated hearth of mud; in the country the fire is on the ground; their cooking utensils are of clay, the entire outfit, perhaps, purchasable in the market place for less than the equivalent of 50 cents.

**THE UPPER CLASS**

Although the dividing line between this proletariat and the upper class is indistinct, the difference in conditions of life is remarkable. While the proletariat is barefooted, meanly clothed, indigent, the upper class, especially in Guatemala City, has homes which may be truly termed commodious if not elegant. The houses usually sur-

round an open court, with flowers, shrubs and trees. Their furnishings and decorations are the best that money can buy, and, what is more remarkable still, considering that I cannot say it of some of the other Latin-



(National Photo Co.)

DR. JULIO BIANCHI

*Minister of Guatemala to the United States  
and member of Federal Council of  
Central American Union*

American countries that I am familiar with, these homes are excellently well kept, neat and clean. Nothing is lacking for the requirements and comforts of a regulated household. And the same may be said of the occupants. The señoritas and señoritos are powdered and perfumed, and the parents, with few exceptions, are dressed in the latest New York or Paris fashion.

There is no racial difference separating these two elements of Guatemalan society. The son of my friend's washerwoman of a generation ago, a poor woman washing clothes for a living at a public font, is today a Minister in the President's Cabinet, and, of course, belongs to the upper stratum. While education furnishes a

means to the end, the lack of it is not necessarily a bar to one's entering this stratum of society; neither is the individual's moral turpitude, a fact that might be illustrated by numerous instances. In general, the moral status of the country is reflected in the low esteem in which women are held. Exclusive of the Indian population, whose moral status is better, I should say that 75 per cent. of the children born are illegitimate.

While a literacy test is not always a safe guide in judging individual intelligence, it serves as a very good medium for judging the state of culture at which a people may have arrived. According to a recent report of the Minister of Public Instruction, 93 per cent. of the population of Guatemala are unable to read and write. A casual perusal of the last published census returns, coupled with this information, may give some idea not only of the people's culture but of the numerical difference in the two elements forming Guatemala's population, exclusive of the Indian. Taking 2,100,000 as the total number of inhabitants, 93 per cent. of which are illiterate, we have only 147,000 persons in the entire country able to read and write. Eliminating the 1,400,000 Indians, we have left a ladino or mixed population of 700,000. As we know that the Indians are illiterate, the 147,000 literates are among the ladino class, which gives 21 per cent. of this population able to read.

It may be laid down as a pretty safe rule, although I know many exceptions to it, that when the individual is able to read he wears shoes. After taking the exceptions into account, I estimate that there are 1,953,000 inhabitants who are habitually without shoes. We have, therefore—eliminating the Indians, who have no part in politics—a population of mixed races numbering 700,000, of which 553,000 are habitually barefooted as well as illiterate, and which can be safely classed as belonging to the proletariat. Of the remaining 147,000 able to read and perhaps write, and wearing





A busy morning in the market place of Guatemala City, back of the Cathedral. The white walled building on the left is the permanent market, but the street also is lined with fruit vendors and others

shoes—judging from observation in Guatemala City alone, which is the centre of the country's culture—fully one-half can be classed as belonging to the proletariat.

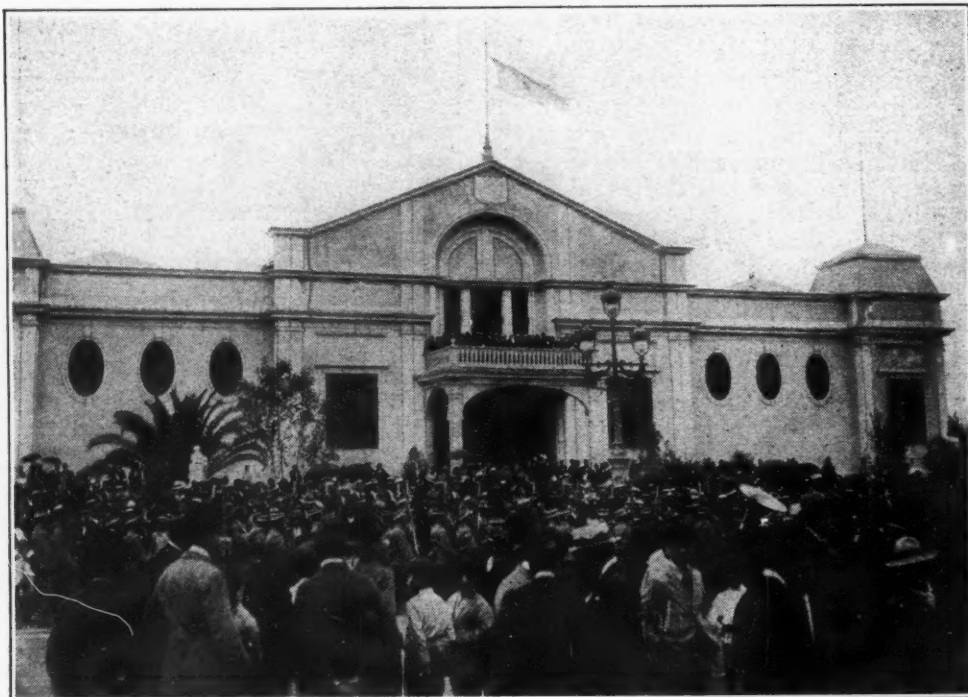
By this analysis an idea may be formed not only of the degree of culture attained in Central America but of the small element numerically constituting the ruling class. Nor is that class even as large as it seems, for the men of inherited wealth, the planters, merchants and foreigners, take no part in politics. Eliminating these, we have left the politicians, the governing class, the oligarchs who rise to power through chicanery, intrigue, by hook or crook or force of circumstances, and are supported by a military of the type referred to by Salvador Mendieta in his "Sickness of Central America," where he tells of an "old veteran of African origin, as faithful to the Government as a bloodhound to his master," who knew nothing about the Constitution, but who announced in the legislative halls that if the President ordered him to "cotch" all the members of Congress he would "cotch" them.

#### A BIT OF INSIDE HISTORY

With this sketch of social and political conditions in Central America, the reader may draw his own conclusions regarding the probable success of the union of three of the five oligarchies of which the vast territory extending from the frontier of Mexico to Panama is composed. But there is another side to the picture which shows what may be done with proper direction, proper handling, proper management.

In May, 1919, the Bishop of Faselli, Dr. Pinol y Batres, a member of one of the oldest families, after a long absence from Guatemala, delivered a series of sermons or lectures in the San Francisco church. The simple announcement of these sermons was sufficient to pack the temple with listeners. The sermons were not political. They were on morality and one's duty as a citizen and patriot.

There were nine of these sermons preached consecutively from May 1 to May 9. The eighth was on patriotism. The Bishop took for his text, "Happy are the people whose Lord is God." Though he did not name



(Photo Thomas R. Dawley Jr.)

Centennial Building, Guatemala City, in which the oath of allegiance was taken to the new Constitution and flag of the Central American Union. President Herrera and the other Government officials are in the balcony. The photograph was made a few minutes after the army had passed in review and taken the oath

Estrada Cabrera, his sermon was an indictment of the dictator, who for twenty-odd years had misgoverned Guatemala. "One's country," said he, "is not the inheritance, is not the mine nor the fountain of wealth of one person alone, but it is the birth-right of all; every one has the same right to its benefits, the same right of supreme aspiration to its progress and prosperity, and when one says, 'I am the country!' and converts to his own interests the efforts of all the others, and when one's only desire is to dominate, then the sentiment of patriotism becomes destroyed, resulting in a slave country, no longer the country of all, but the inheritance of one." Asking how many real patriots there were in the country, he answered the question himself by saying that perhaps there were not even six. "Every one," said he, "interests himself in his own personal welfare alone. If he can have a good house and maintain its com-

forts without danger to himself, he cares nothing about the welfare of others." But he counseled against any armed revolution; his remedy was protest and the molding of public opinion.

The Bishop was sent to prison. There were those who said he should have been shot. If Justo Rufino Barrios had been the President instead of Cabrera the Bishop probably would have been shot, for he had set some of the people to thinking. They hardly dared to think aloud, but a tailor, a tinker, a printer and a few others representing the working class got together and talked.

Eduardo Zamacois, the Spanish author, in his sketches of travels in Latin America, relates that late one night an excited individual, presenting himself before the guard at the Presidential residence, demanded to see Estrada Cabrera at all hazards, because the life of the President depended on his seeing him. The vis-

itor, being admitted before the President, exclaimed:

"Your Excellency! There are eight men in Guatemala who have sworn to assassinate you! I am one of the eight! But at the last moment my conscience reproached me, and I have come to give you the names of the others!"

The President, regarding the informer deprecatorily, pushed a button, and a guard of soldiers appeared immediately.

"Tie this man," he ordered, "and give him fifty lashes."

"But, sir. Why?" exclaimed the frightened individual.

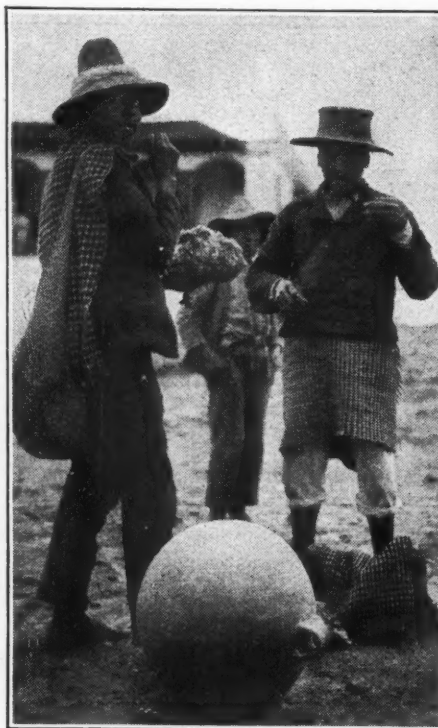
"Because you are the last of the eight conspirators to inform me. All the rest, one after the other, have been here."

Another version of the same story is related as having occurred during the regime of Rafael Carrera, seventy or eighty years ago. Whether or not either of the stories be true, they serve to illustrate the character of the people. But in the case of the tailor, the tinker, the printer and their other companions—it is admitted as most remarkable—not one turned informer, although later the printer was accused. Contrary to the counsel of the Bishop, they talked armed revolution.

#### BIRTH OF THE UNION

On the other hand, five citizens, who had never taken any part in politics—five perhaps of the six possible patriots referred to by the Bishop—got together in the suburbs of the city, and discussed the Bishop's advice. The problem before them was how to stop the existing abuse of power without breaking the law and without incurring the usual penalty of imprisonment, flogging and exile, if not death. A solution was finally decided upon. It was to form a political organization ostensibly to bring about the union of the five Central American republics. No one could object to that!

In the meantime a woman, it is said, brought together the two con-



(Photo Thomas R. Dawley Jr.)

#### GUATEMALAN INDIANS

*The old man is spinning in the market place while waiting to sell his pottery. The other has a bunch of wool in his hand*

spiring elements, and on Christmas morning, nearly eight months after the Bishop's sermons, a neatly printed folder made its appearance boldly signed by the conspirators, with the names of some others who had been taken into the fold, announcing the formation of the Unionist Party, and declaring its purpose to obtain by pacific methods the restoration of the former Central American nation.

The folder caused a sensation. For nearly half a century any political party other than the so-called Liberal had been non-existent. Furthermore, the little folder stated the party's purpose "to work within the strictest compliance with the law, because the exercise of rights and the fulfillment of obligations on the part of the authorities as well as on the part of the citizens is the sincere and efficacious requirement of a



democratic republic, without which the union is an impossibility." That statement was a direct challenge to the despot who had ruled the country so long and so criminally.

As part of an effective propaganda a leaflet began to make its appearance as the official organ of the party, printed on a small hand press, found somewhere, for not a printing

pearance of another announced than there were a dozen or more ready to take his place. Cabrera could not arrest them all. At the end of two months the National Assembly, composed of representatives always selected by Cabrera himself, went over to the Unionists.

At the end of another month the Assembly attempted to impeach Cabrera by declaring him insane. Since the earthquakes which had ruined the capital, Cabrera had made his official residence at La Palma, a point dominating the city, which he had entrenched and fortified with artillery. He also had possession of two forts, with guns trained on the city and all the arms and ammunition. On the morning after his attempted impeachment he began the bombardment of the city, which was defenseless. The only conceivable reason for his

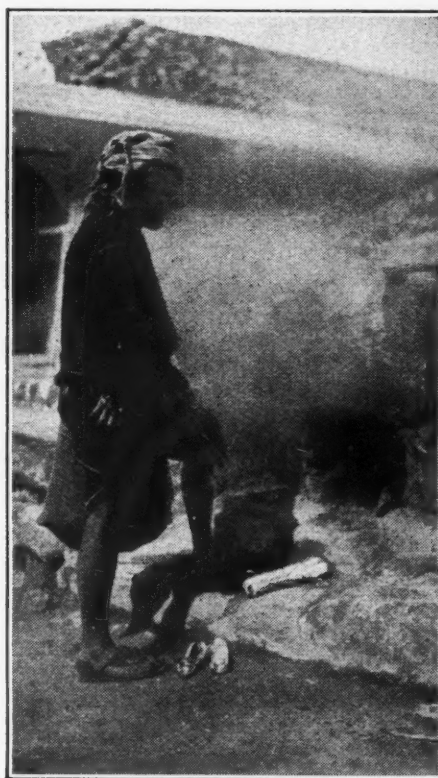


(Photo Thomas R. Dawley Jr.)

#### GUATEMALAN TYPES

*Sacristan of the Church at Solola, and Indian boy spinning*

press could be brought into the country or material bought without Cabrera's consent. As Cabrera controlled the press and newspapers, he at first attempted to combat the Unionist propaganda through this medium. These attempts were contested in the leaflets, and he was openly defied. The usual imprisonments, banishments, floggings and murders then followed; but no sooner was the imprisonment of one man or the disap-



(Photo Thomas R. Dawley Jr.)

#### INDIAN WORSHIPPER

*Burning incense to his pagan god in the public square, near a Christian church, in a Guatemalan village*

not having marched a battalion of his soldiers to the Central Plaza, which would have given him control of the situation, was his lack of military knowledge, personal cowardice and the decadency of the army itself.

#### AN ORDERLY REVOLUTION

Within the city the leaders of the movement, supported by the best element, both men and women, gave an unprecedented example of executive ability, courage and self-devotion. The proletariat not only behaved with fortitude, but demonstrated the ease with which it can be handled. Whatever police force had existed disappeared immediately with the commencement of the bombardment, and the city was left without police protection; but there were no disorders, robberies or anything of the kind requiring police interference. Furthermore, there was not a case of drunkenness, which is more remarkable still, considering that one of the most immediate sources of the wretchedness and consequent degradation of the lower classes is their prevailing habit of intoxication. This was due to the constant admonitions which had been preached to them during the organization of the movement.

No sooner had hostilities commenced than a printed circular was issued from the headquarters of the party, which said in part:

During the three long months of peaceful campaign during which we have not departed one iota from the law, each and every member of the Unionist Party has been the admiration of both our own people and foreigners alike. Today the contumacy of Estrada Cabrera obliges us to leave the peaceful struggle in order to defend the Constitutional Government of the Republic with arms in our hands, and as our country will exact the extreme sacrifice of many of its sons on the altar of liberty, Constitution and right, the country also exacts that its sons conduct themselves with the decency of soldiers fighting for liberty, and not as undisciplined mobs of wrongdoers.

True Unionists! Conduct yourselves in the rational manner that your title of soldiers for the right rigorously demands. Abstain from all unnecessary acts of violence, of rapine, looting and any other acts of which you may later be ashamed. Especially refrain from the use of alcoholic

drinks, which cloud the intellect and cause men to descend to the position of irresponsible beings. Those who require alcohol to be brave are not brave!

The thoughts expressed in this circular not only show the sentiments of the few resolute men who brought about the situation, but the strict compliance with the same gives the lie to those who represent the people as unruly and incapable of being governed by any other methods than those employed by the tyrants who have ruled the country almost consecutively since its independence.

I witnessed the events that followed. As the barefooted, ill-clad, badly fed proletariat gathered in defense of the cause that had been shown them as a just one, armed with a few guns, rusty old machetes, knives tied on the ends of poles, and even sticks of firewood, my sympathy went out to them, and all I could do was to help them by directing their efforts in such manner as my knowledge and experience dictated. I found them not only willing but appreciative of my interest in their affairs, which were of supreme moment to them. It seemed a contradiction of human nature that a people displaying the calm, fearless spirit of self-devotion that they exhibited when it came to the test should have suffered all their lives from a despotism that had kept them in penury.

#### FALL OF CABRERA

The bombardment continued intermittently day and night from the morning of April 9 until the evening of the 14th (1920), during which time the people rose throughout the country, the defenses of the capital grew stronger, and Cabrera weakened accordingly. On the 14th his stronghold was completely invested and he agreed to capitulate. The morning following he surrendered himself to various members of the diplomatic corps, who escorted him and the immediate members of his family to the prison prepared for him. And now occurred the blot that marred the whole revolution.

During the hostilities uniformed military men anywhere within the city were conspicuously absent. The only pretense of a government, further than the direction of affairs assumed by the Unionist Party, consisted of the Provisional President selected by the Assembly on its attempted impeachment of Cabrera and his Cabinet, which quartered itself immediately after the beginning of the bombardment in a private house next to the Mexican Legation. On the preceding evening the commandant of the city garrison had gone over to this Government, and later he was quartered in an edifice used as a school, adjoining the cathedral. About the same time that Cabrera gave himself up several of his officers and others were brought in as prisoners and were turned over to the commandant, who, like a number of other military men caught within the city at the commencement of hostilities, did not show himself during the bombardment; but when the prisoners were turned over to his care he allowed the commanding officer of the Matamoras fort to be stripped of his uniform and turned out into the street with only his underclothing on; there, naturally, a large concourse of people had gathered, after following the prisoners. Among the crowd was a notorious woman who, mistaking the unfortunate officer for an influential member of Cabrera's Government, shot him, whereupon others in the crowd fell upon him, shouting and yelling until satisfied that life was extinct. This act turned the otherwise peaceful gathering of spectators into a frenzied mob, which, like beasts of prey, having once tasted blood, howled for more. Thereupon the commandant, like his military prototype in Mendieta's "Sickness of Central America," turned prisoner after prisoner out to the mob, until eight in all had been massacred. The massacre was stopped by the sudden appearance of Jose Azmitia, who had been directing affairs from the headquarters of the Unionist Party all through the bombardment. Address-

ing the multitude in a passionate speech, he told them that their behavior was a stain upon the good name that they had previously made for themselves, and, hanging their heads with shame, they dispersed.

#### THE PRESENT SITUATION

The revolution over, what happened? Don Carlos Herrera was nominated for the Presidency because of his known integrity, his financial standing and his goodness. He was elected by an overwhelming majority of votes, and by the only fair, popular election that had ever taken place. But Don Carlos was no politician. He began his administration by trying to form a Coalition Government of the two antagonistic parties that have existed since the independence—the Liberals and the Conservatives. It was as though Mr. Harding, after taking his oath of office, had placed in his Cabinet William Jennings Bryan, Charles Murphy and ex-Governor Blease, and then, on meeting with the natural protest of the party that had elected him, he had substituted for the unsatisfactory appointments an ex-bandit, an impeached ex-Governor, and a convicted ex-boss. And the other appointments made by Don Carlos were along about the same lines. The Unionist Party was relegated to a secondary position, and the result has been only what might have been expected: Not only the return to power of some of the Cabrera element, but a breaking away from the Unionist Party of the Liberals that had joined in the movement for the overthrow of the Cabrera despotism. The Liberals now refused to recognize the Unionists as anything but Conservatives, and the old animosities between the two parties are revived with all the bitterness and hatred of former times. Each is struggling for the Government control, while the masses are like grains of corn between the upper and lower millstones.

As for the union of the five States which the small group had devised as the remedy for the political evils



from which they had suffered so long, only three of the oligarchies have agreed to it. And now that it has been agreed to by Guatemala, the Liberals have already made an effort to destroy it by alleging that the National Assembly which ratified the pact for the union, signed at San Jose, Costa Rica, was composed of Unionists whose elections were unfair, and that consequently the whole business is unconstitutional. In the meantime the Minister of Foreign Relations, the Minister of War, and all the other Ministers, military Governors, diplomats, consuls and chiefs, big and little, are holding their jobs as usual, while a congress at Tegucigalpa is continuing in session, drawing up laws for the internal government of the States, regardless of the views of the people who are to be governed by them.

*Guatemala, Oct. 12, 1921.*

#### PRESIDENT HERRERA OVERTHROWN

[By a sudden revolution, quickly successful, the Government of Carlos Herrera, President of Guatemala (or Governor of the State of Guatemala under the new Federal Union), was overthrown in the early morning hours of Dec. 5. Twenty-five persons were killed and scores wounded in the brief fighting with the police of Guatemala City, the capital. This threatens a disruption of the Central American Union, of which Guatemala, Honduras and Salvador are constituent States.

President Herrera and the members of

his Cabinet were made prisoners, and a Provisional Government was proclaimed, headed by General José María Lima, General Orellana and Miguel Larrave, former Under Secretary of War. Estrada Cabrera, President from 1898 until ousted by a revolution in April, 1920, who had been in prison since then, was released, but not restored to the Presidency, which was assumed by General Orellana.

Dr. Julio Bianchi, Guatemalan Minister to the United States, who had been elected to the Federal Council of the Central American Union, finds himself without the backing of his State, unless Honduras and Salvador should intervene to restore the constitutional Government—a proceeding of doubtful legality, considering that the permanent authorities of the federation will not take office until Feb. 1. The position of the revolutionists is similar to that of the people of West Virginia in the Civil War before its recognition as a new State. The Central American mission, seeking recognition for the federation by the United States, also loses the support of the Guatemalan delegate. The State Department, however, had decided not to recognize the new Government at this time. Delegates of the 3,000 Central Americans in New York met on Dec. 9, decided to oppose the coup d'état and chose Dr. Bianchi to act for them in making representations to the State Department at Washington.

The Guatemalan Congress, which was dissolved during the previous revolution, was recalled and met on Dec. 8, ratifying the selection of General Orellana as Provisional President, and declaring null and void all acts of the Guatemalan Legislature passed since the dissolution of the old Congress; that is, during President Herrera's Administration.]

#### TELEPHONE EXPANSION IN CHINA

MODERN methods of communication, especially by the telephone, are being boomed in the Flowery Kingdom, according to Clark H. Minor, former manager of the China Electric Company of Peking. The Chinese, he says, have grown weary of the difficulties of intercity communication by telegraph, as all messages, owing to the cumbersomeness of the Chinese alphabet, have to be sent in code and then decoded. The only intercity telephone line existing runs between Peking and Tientsin—a distance of about 100 miles. Under the stimulus of China's younger generation of business men, a long-distance line between Peking and Shanghai is nearing completion

at a total cost of \$500,000. Furthermore, new telephone exchanges are being erected in most of the larger cities to augment the 5,000 subscriber lines already in use. Hitherto all connection work has been done by men, but girls are now being trained in Shanghai. In the three years since its organization, says Mr. Minor, the China Electric Company, which is really a joint undertaking of the International Western Electric Company and the Ministry of Communications at Peking, has raised its capitalization from \$250,000 to \$1,000,000, a growth fostered by the increasing demand for telephones and other electrical material in the capital.

# AMERICAN RELIEF FOR STARVING RUSSIA

BY VERNON KELLOGG

*Extent and causes of the famine, and the agreement under which the American Relief Administration undertook to aid the sufferers—How the work is proceeding and what it has already accomplished—The "Food Remittance" system*

**F**AMINE is such a strong word, and is so often used thoughtlessly, that when one hears or reads it in a newspaper the first reaction of the thoughtful man is likely to be one of skepticism. "Famine in China," "famine in India," and now "famine in Russia." But is there really famine in Russia?

I have only recently come away from the Russian famine region, and

I have seen that there is famine there. It is not all of Russia that is truly famishing, though over all that great land there is food shortage, and the first thought of almost all of its many millions of inhabitants is, How shall I get food for today and tomorrow? It is an obsession, an obsession so complete as to exclude almost every other thought.

The part of Russia that is truly in



Three of the leaders in American relief work in Russia: Colonel William N. Haskell (in the middle) and Colonel Lonergan and Mr. Seldards in front of the American Relief Association headquarters in Moscow

the throes of famine is a part that is normally blessed with plenty. It is the great Volga basin from Kazan south to the mouth of the river, stretching also to the north and east, including parts of the Provinces of Vyatka, Perm and Ufa. This is precisely a region to which, under normal circumstances, Russia looks for part of its supply of bread-grain with which to feed other parts of the country—parts that are forested, or largely industrial, including and surrounding Russia's greatest cities. The Volga basin normally produces a considerable surplus of wheat and rye, a surplus that even helps to feed part of Europe outside of Russia. Now it is this very region that is crying aloud for food.

The centre of the famine area is that including the Volga Provinces of Kazan, now called the Tartar Republic, the eastern half of Simbirsk, and Samara and Saratov.

In this famine area there are at least 15,000,000 people, and, in the region of acute food shortage adjacent to it another 15,000,000. The extent of the area affected and the great number suffering make of the situation a veritable catastrophe.

Perhaps the province (or "government") of Samara presents the most critical situation. Under normal circumstances Samara regularly produces a considerable surplus of grain above the needs of its own population (about three and a third millions). Certain statistics which I have just brought out of Samara, and which are as nearly accurate as can be obtained, will reveal the situation much better than general statements. These figures were assembled by the Samara Government's Bureau of Statistics, in charge of an intelligent, well-educated and, I believe, honest civil engineer. His helpers were field agents of much knowledge of Samara agriculture.

In the years 1912-17, inclusive, the average annual acreage in Samara planted to wheat, rye, oats and barley was approximately a little more than two and a half million dessiatines.

(One dessiatine is about two and a half acres). The specific figures are: 1912, 2,543,398 dessiatines; 1913, 2,738,433; 1914, 2,895,353; 1915, 2,815,647; 1916, 2,417,285; 1917, 2,674,711. In 1918 and 1919 the planted acreage dropped to 1,716,366 and 1,174,866, respectively. In 1920 it was 989,285, and in 1921, 979,921. From the 2,500,000 dessiatines of pre-war and war years up to and including 1917, the acreage dropped to 1,000,000 in 1920 and 1921. Before attempting to explain the causes of this reduction I will give the even more significant figures of production.



(Wide World Photos)

ONE OF THE FAMINE VICTIMS  
A Russian child who died of starvation  
shortly after being brought to the  
relief station



## CAUSES OF FAMINE



(© Harris &amp; Ewing)

**PROFESSOR VERNON KELLOGG**  
*Executive Secretary of National Research Council, active in European relief work since 1915, and a trusted aid of Herbert Hoover. He is a member of the Stanford University Faculty*

For the pre-war years 1912 and 1913 the grain production of Samara Province was 119,101,000 and 132,515,000 poods, respectively. (One pood is about 36 pounds.) In 1914, a bad crop year, the production was 84,983,000 poods. In 1915, a good year, it rose again to 132,254,000 poods. Then began a significant reduction. In 1916 it was only 58,354,000 poods, in 1917 only 33,769,000 poods. In 1918 it rose to 91,184,000, but in 1919 it fell to 49,941,000, and in 1920 as low as 18,803,000. Then came, in 1921, a year of extreme drought, the awful break to but 3,000,000 poods (as carefully estimated by the bureau). Only three-tenths of an inch of rain fell in the Volga basin during the grain-growing months of April, May and June.

I see three major contributing causes. First, six years of continuous international and civil war, with all its waste and devastation; second, the fatal error of the Soviet Government, openly admitted by them now as a terrible mistake, in requisitioning, or attempting to requisition, in conformity with extreme communist principles, the surplus grain produced by the farmers, and in making private sales of grain illegal; and, finally, in 1921, an act of Providence, or Nature—a drought so absolute that simply no crop at all was produced in a great part of the planted acreage. I have myself seen miles and miles of grain fields in which no attempt at harvest was made. When I asked the peasants what crops they had, the answer was, simply and positively, "No crops."

The significance of such a situation for Samara province and for the other provinces in the drought region—as also for the rest of Russia—is obvious. The grain consumption of Samara province is estimated by the local Government bureau to be about 2,000,000 poods a month, or a little less than one pound a day per person of the population. This is certainly not an overestimate of bread needs, especially when we remember how large a part of the Russian dietary bread is. What Samara produced in 1921 is about enough to provide its whole population with bread for a month and a half!

The situation as regards grain is little, if any, better in Kazan, Eastern Simbirsk or Saratov, all famous grain-producing provinces. But cannot grain be brought from other regions of Russia not drought-stricken into the famine region? Yes, a little, but not much. The Soviet Government has made, apparently, an earnest effort to do this. Some grain and other food have actually been sent into the famine region. Some children, gathered into children's detention homes from the streets and country roads, from the farm villages and the pathetic

refugees' camps along the railways and the banks of the Volga and Kama Rivers, have been fed by the Government. Some of these children are orphans in fact, others orphans in effect, abandoned by their parents, helpless to keep them alive. The homes are dreadful sights: cold and bare rooms, crowded with emaciated and weak little ones, some with the horrible, protuberant "hunger belly" resultant from eating the bark and moss and chaff and "clay" (humus) bread, which is now the staple in the famine region.

I was in one of these homes in Samara at noon meal time. The meal consisted of sticky black bread, horse-meat—the peasants are killing and selling their farm animals—and "kasha," a brown porridge of grits of various grains and seeds. Many of the children were ill of malaria—and there was no quinine for them. The doctors and caretakers were helpless. The children were dying in these homes at an appalling rate.

To understand why the relief of the famine region is not "simply one

of better distribution of Russian grain," we must look to the first and second of the three contributing causes just mentioned. The waste and devastation of war, and the requisitioning by the Soviet Government of the farmers' surplus production, thus destroying all incentive to surplus production, have combined to produce a food shortage all over Russia in the last two or three years, whatever the rainfall. There is food shortage, or at least no food surplus, in other grain-producing regions outside of the drought area. There is no food, or but very little, to spare from elsewhere in Russia for the starving people along the Volga. Relief must come, if it come at all, from the outside. What is being done in this way?

#### RELIEF ACTIVITIES

There has been much talk and some action along relief lines. The talk has considered relief measures on a very large scale; the action, in comparison with the degree of the catastrophe, must be looked on as small; it is small,



(© Underwood & Underwood)

Russian families of the famine-stricken Volga district carrying their own dead to the cemetery



(Photo International)

Russian famine refugees being fed at the Relief Administration train at Samara. Starving children wait patiently in line for hours for their rations

relatively, although one part of it, entirely American in initiative and maintenance, is, taken absolutely, no small matter.

There has been much talk of a large international effort, essentially of the character of an extension of large credits to the Soviet Government, for the purchase of grain, of which there exist available surplus supplies in America, Rumania and Bulgaria, and perhaps elsewhere. An International Relief Commission, representing several European Governments, has been formed to consider and support, if found advisable, a combined international undertaking to provide credits to the extent of, perhaps, \$150,000,000 for the purchase of grain for food and seed. Dr. Fridtjof Nansen is to be the managing director of the undertaking, if anything comes of it, and he has outlined a formal project to distribute the

grain so provided through the co-operation of the Soviet Government—in fact, to turn over, in effect, the grain to the Soviet Government for distribution.

This feature of the proposed international undertaking has been severely criticised by many men and by a large part of the European press, so that Nansen, despite his strong appeals at the Geneva and Brussels meetings of the International Commission, has not much hope of seeing such an arrangement made. On the other hand, the Soviet Government has expressed its strong objection to the presence of M. Noulens, who was the French Ambassador to the Czar's Government at the time of the first revolution, as head of the commission. Altogether, there seems to be little encouragement to expect practical results from the International Relief Commission in the near future.

The relief that has been, and is con-



tinuing to be, actually extended to the famine region comes principally from the Soviet Government and, quite distinct from this and wholly independently, from the American Relief Administration. The American Friends Service Committee has a number of representatives in Russia and has provided relief to some families and individuals and to certain orphanages. This committee has been able so far to help about 50,000 children. The Swedish Red Cross has announced its intention of sending in a relief group with a certain quantity of food and medicines. Norway has promised Nansen a gift of about 1,000,000 kroner, and, more important than any other outside relief except that of the American Relief Administration, the Save the Children League of England has (according to Nansen's statement to me in London on Oct. 14) put at his disposal enough funds to provide food for 250,000 children for six months. The first food obtained in this way was sent by Nansen to Saratov. The relief afforded by the Central Soviet Government, either directly or acting through the Provincial Governments in the famine region, has been of value, but entirely insufficient to meet the situation. It has taken the form of sending in certain quantities of grain for food and for seed, some other food, and a number of sanitary trains with doctors, nurses and medical supplies, with also some special food for children, such as white flour and cocoa. These trains have been few and the medical supplies sadly deficient in amount and variety. For example, despite the serious ravages of malaria in the Volga Basin, almost no quinine has been sent.

#### AMERICAN RELIEF ORGANIZATION

The American Relief Administration, under the Chairmanship of Herbert Hoover, was organized immediately after the armistice, under the patronage and financial support of the United States Government, to extend aid and credits for needed food to the suffering peoples of Central

and Eastern Europe. It is now, and has been for the last two years, wholly a private organization supported by free contributions of the American public. The \$100,000,000 originally put into its hands by Congressional action was almost entirely used for the extension of credits to various needy Governments for the purchase of food in America; these credits are now represented in the United States Treasury to the extent of about \$90,000,000 by obligations of those Governments. After that fund was exhausted Mr. Hoover appealed to the American public for money to enable his organization to carry on the feeding of about 2,000,000 undernourished children in the Baltic States, Poland, Czechoslovakia, Austria and Hungary. Certain special funds also were obtained for child-feeding in Germany, this feeding being intrusted to the American Friends Service Committee.

Such child-feeding has been carried on by the American Relief Administration from the armistice period up to the present date. And it is still going on in certain of the countries already mentioned—most extensively in Poland and Austria, in which two countries about 500,000 needy children are now being given a supplementary daily meal in the schools and relief "kitchens."

Thus, when the Russian food catastrophe began to attract the attention of the world, and an appeal was made to Mr. Hoover by Maxim Gorky to bring help to the starving people of the famine region, the American Relief Administration had an already active working organization and some funds available, so that a relief work of limited scope could be extended at once to Russia. It was decided by Mr. Hoover and his chief assistants and advisors that this relief, considering the limits made necessary by the funds available, should be restricted to giving to as many children as possible, until the harvest of 1922, a daily supplementary meal of the food value of about 800 calories. In other words, if a satisfactory arrangement could be

made with the Soviet Government whereby adequate transportation and protection of the food within Russia would be assured, relief work for the children would be undertaken along the same lines as in other Eastern European countries.

#### THE LITVINOV-BROWN AGREEMENT

A meeting at Riga in August, 1921, between Max Litvinov, Assistant Soviet Commissary for Foreign Affairs, and Walter L. Brown, the European Director of the American Relief Administration, was arranged, and an agreement was signed on Aug. 20. This agreement covers many details set out in twenty-seven numbered paragraphs. Its salient features are as follows:

A full recognition by the Soviet Government of the ownership and control of all food brought in by the American organization from the time of its entrance until it is actually fed to the children, with specific guarantees by the Soviet Government not to requisition or interfere in the distribution of any of the food. The American Relief Administration is guaranteed full liberty and protection of its personnel while in Russia, including the extension of diplomatic privileges and all facilities for the entry into and exit from Russia, of the said personnel. In securing Russian and other local personnel the American Relief Administration shall have complete freedom as to selection, and the Soviet authorities will, on request, assist the American Relief Administration in securing such personnel.

All internal expenses of transportation, warehousing and storage, and distribution of the introduced food is to be borne by the Soviet Government. The introduced food is to be given free import, and the American Relief Administration is guaranteed the privilege of free re-export if for any reason it cares to send any of this food out of the country. It is provided that no individual receiving American Relief Administration rations shall be deprived of such local supplies as are given by the Soviet authorities to the rest of the population. The Soviet Government gives special guarantee to take every step to insure that relief supplies belonging to the American Relief Administration shall not go to the general adult population or to the army, navy or Government employes, but only to the children and sick designated by the American officials in Russia. It is guaranteed that the American Relief Administration shall be allowed to set up all necessary internal organizations and committees for carrying out its relief work

free from Governmental or other interference. The Soviet authorities shall provide, on demand of the American Relief Administration, all necessary premises for bakeries, kitchens, dining rooms, dispensaries, &c. All railway, motor, water or other transportation for the movement of the relief supplies and relief workers and such local personnel as may be necessary to guard the supplies, and necessary offices, garages, store rooms and residential quarters for the American personnel, shall be furnished and paid for by the Soviet authorities. The American Relief Administration shall have complete freedom and priority without cost in the use of existing radio, telephone, telegraph, cable, postal and courier service in Russia. The Soviet Government shall acquaint the Russian people with the aims and methods of the American Relief Administration.

The American Relief Administration agrees to supply, as rapidly as suitable organization can be effected and within the limits of its resources and facilities, food, clothing and medical relief to the children and sick. It guarantees that its relief distribution will be made without regard to the race, religion or political status of the beneficiaries. Its personnel in Russia will confine themselves strictly to the ministration of relief, and will engage in no political or commercial activity whatever. In view of the freedom of the American personnel in Russia from personal search, arrest and detention, any members of the personnel engaging in political or commercial activity will be withdrawn or discharged on the request of the Central Soviet authorities after submission by these authorities of the reasons for the request and the evidence substantiating them.

On Aug. 24, 1921, officials of the American Relief Administration met in Washington, together with representatives of the American Red Cross, American Friends Service Committee, Jewish Joint Distribution Committee, Federal Council of the Churches of Christ in America, Young Men's Christian Association, Young Women's Christian Association, Knights of Columbus and Catholic Welfare Committee, all of which organizations had been associated with the American Relief Administration in collecting money in America for the feeding of children in Europe and for providing medical supplies and care. It was decided at this meeting that part of the funds collected and in hand should be used for Russian relief, but that as the whole need was apparently beyond

the resources of private charity the work immediately to be undertaken would be primarily the feeding of children and the provision of medical supplies. A memorandum was adopted, of which the following are the principal items:

The agreement between the Soviet Government and the American Relief Administration is accepted by the affiliated associations, and all relief activities will be conducted according to the terms of this agreement. A special area for the work of the American Friends Service Committee will be assigned, in which this Committee will keep its own identity and work according to its own ideals, but in conformity with the Litvinov-Brown agreement. One or more representatives of each affiliated association will be appointed on the staff of the Director in Russia of the American Relief Administration; this for the sake of assuring complete co-operation and co-ordination among the affiliated associations and the American Relief Administration. These associations shall conduct any and all relations with the Central Soviet authorities through or with the approval of the Director in Russia of the American Relief Administration. The affiliated associations shall be individually guided by their own views as to the collection of funds in America.

A week later a further special agreement was made between representatives of the American Relief Administration and the American Red Cross, the essential points of which were as follows:

Financial responsibility up to the amount of funds (about \$3,000,000) set aside by the Red Cross for medical relief in Russia is to be in the hands of the Red Cross, but the expenses inside of Russia incidental to the handling of transportation and distribution of the medical and hospital supplies are to be borne by the American Relief Administration. The Medical Director for Russia is to be a member of the A. R. A. Russian unit, and his staff is to be paid and cared for by the A. R. A. The distribution of the medical supplies is to be made by the A. R. A., which will submit frequent reports to the American Red Cross Headquarters in Washington, so that the A. R. C. may keep its membership fully informed of the work.

#### AMERICA'S SWIFT ACTION

Immediately after the signing of the Litvinov-Brown agreement, the American Relief Administration began sending supplies from its Ham-

burg and Danzig warehouses to Petrograd and to Riga, and from Riga to Moscow. The first American Relief Administration party, consisting of seven Americans in charge of Major Philip Carroll, left Riga for Moscow in the last week of August, and the first food train from Riga followed closely after. The first food train for the Volga, in charge of E. G. Burland, left Moscow on Sept. 15 for Kazan, and others to Kazan, Samara, Simbirsk and Saratov followed rapidly. The first train, which I had the privilege of accompanying, arrived in Kazan at 11 P. M. on Saturday, Sept. 17; it was unloaded and warehoused the next day, and the first meal was given the children of one of the detention homes on the following day. I shall never forget the excitement and joy of the children as they ate the white bread and rice with milk and sugar, so different from the coarse "kasha" (grits) and horse meat they had had before.

The work of organizing local committees to work under American supervision, and of setting up special kitchens and dining rooms and arranging with bakers was pushed as rapidly as possible. By Nov. 1 over 202,000 children were being fed, and by Dec. 1 the number had reached 750,000. It was certain that over a million children would be receiving food by New Year's Day, 1922. The present program calls for feeding 1,200,000 children, and probably early in January this whole number will be getting a daily meal of American food. If no breakdown in the shipping and rail transportation program occurs, 35,000 tons of food will have been sent from America to Russia by Jan. 1, and partly eaten and partly stored in the large American-controlled warehouses in Petrograd, Moscow, Kazan, Simbirsk, Samara, Saratov and other cities and towns of the famine region. Up to Dec. 1, 30,000 tons had actually reached Russia.

There has been, so far, a complete co-operation of the Soviet central and provincial Governments in providing transportation, warehouses, guards,



quarters for kitchens, dining rooms and offices and living rooms for the American workers. Not a single case of seizure or large robbery of the imported food has occurred. Small pilfering always happens in the course of relief work anywhere. In addition, the assistance of local doctors, nurses and helpers of all kinds has been readily obtained without interference by the Soviet authorities in the selection of these assistants.

The special food sent into Russia for child-feeding includes white flour, rice, beans, sugar, tinned milk, cocoa and fats. It is cooked in bakeries and kitchens which are controlled by the Americans and not allowed to do any other cooking. It is fed to the children daily in special dining rooms and in children's homes on the basis of a weekly ration which provides for daily variety. The food is eaten by the children in the controlled dining rooms and not allowed to be taken home, except in the case of children too sick or weak to come to the dining rooms. Food is also furnished to nursing women and to women about to become mothers, for this is also, in effect, child feeding.

The methods of accounting for the food in detail in trains, warehouses, bakeries and kitchens are elaborate and are the same as those which have been developed through the long experience of the administration in other countries. The Americans are in complete control of the food from the time it enters Russia until it goes into the children's mouths.\*

#### THE MEN IN CHARGE

The American Relief Administration's Russian unit now numbers

\* The British Parliament acted favorably in November on a bill granting £100,000 (normally \$500,000) to cover the cost of sending medical stores to Russian famine sufferers. About the same time the French Parliament voted 6,000,000 francs (normally \$1,200,000) for Russian famine relief. President Harding's annual message to Congress on Dec. 6 recommended unreservedly an appropriation to supply the American Relief Administration with 10,000,000 bushels of corn and 1,000,000 bushels of seed grains for the famine victims in the Valley of the Volga. The Soviet Government has co-operated fully in facilitating the work of the American medical and food relief units.—EDITOR.

about eighty men, with Moscow as headquarters. The unit is in charge of Colonel William N. Haskell, who has had much experience in similar relief operations in Rumania, Serbia and Armenia. The heads of the principal divisions of the unit are J. J. Mangar, administrative division; P. H. Carroll, supply division; Dr. Henry Beenkes, medical director; A. C. Coolidge, liaison division; Elmer J. Burland, warehouses; J. P. Gregg, central local committees, and A. Tordy, accounting division. The men in charge of field work in the various provinces and large cities on Dec. 1 were: Petrograd, Carlton G. Bowden; Moscow, Donald Henshaw; Kazan, Iver W. Wahren; Simbirsk, Edward Fox; Samara, Will Shaffroth; Saratov, David R. Kinne; Tzaritzin, Preston Kumler. Lincoln Hutchinson is chief general investigator and statistician. As fast as the work is extended to other hungry provinces, such as Orenburg, Ufa, Perm and Vyatka, new chiefs will be assigned to have local charge.

Through all the famine region, warehouses and special kitchens and dining rooms, to which the children come for their food (consumed on the premises) are being rapidly established. In Kazan province, for example, 1,766 dining rooms were in use on Nov. 19, in addition to which meals were being provided in 296 child institutions (orphanages, temporary detention homes, &c.). In Samara province on the same date, 500 dining rooms and 89 child institutions were providing meals.

Besides arrangements and provisions for the feeding of 1,200,000 children, the American Relief Administration has arranged to supply food to both children and adults by means of special "food remittances," much like the "food draft" system used by the administration for other European countries. By this system any individual or group of individuals in America or any other country can, by the payment of \$10 (or more, in units of \$10), have that value in food—purchased at wholesale in America

—delivered to any individual or group of individuals in Russia. A food order is purchased in America by applying with cash, to the American Relief Administration, Food Remittance Department, 42 Broadway, New York; the order is made out to a specific beneficiary, with name and address, and is sent to this beneficiary, to be presented by him to the nearest American Relief Administration warehouse in Russia. If no warehouse is within easy reach, he sends the order by mail to the nearest warehouse. Here the food is delivered directly or sent by mail to the beneficiary, and a receipt is taken from him, which is returned to America and notice sent to the donor that the food has been delivered. If any remittance cannot be met by actual food delivery within ninety days, the

money paid for the remittance is returned to the donor. These deliveries by the food remittance system are now being made in large numbers. All the Moscow deliveries called for by the first lot of 1,400 remittances, and begun on Nov. 21, have been completed. Moscow reports that "consignees were overjoyed and astounded actually to receive packages containing American flour, fat, rice, sugar, tea." The average time of delivery from date of food remittance receipt was three weeks. Similar deliveries are now being made in Odessa, Kiev, and many other central Russian points. With the gradual perfection of the system the time between receipt of the remittance by the Moscow office and actual delivery to beneficiaries at central warehouses will probably be about two weeks.

## WHY RUSSIA'S GREAT ARMY FAILED

A TRAGIC story is told by Major Gen. Sir Alfred Knox in his book, "With the Russian Army, 1914-1917," recently published in London. General Knox was military attaché at Petrograd before hostilities began; he was with the Russian Army practically throughout the war; he was an eyewitness of the first revolution, which placed Kerensky in power, and of the second or Bolshevik revolution, which drove Kerensky into exile. The Bolshevik success he attributes more to the weakness of Kerensky than to the energy of the Bolsheviks, to which, however, he gives full credit.

The book reveals the inherent defects of the vast army of imperial Russia, an army which, in allied circles at the beginning of the war, was regarded with such confident hope that it was dubbed the Russian "steam roller." Estimates given by General Knox indicate that Russia mobilized more than 15,000,000 soldiers. If victory could have been won merely by marshalling overpowering numbers, Russia would have ended the war. But the Russians lacked everything necessary in modern warfare; their railways were inadequate, the roads were obstructed by congested horse transport, and their army itself was so cum-

brous that it was like a muscle-bound prize fighter. Lack of modern equipment, combined with inherent national characteristics, brought about the inevitable downfall.

Everything about the Russian Army, or almost everything, says General Knox, was wrong. The Tartar domination and serfdom had robbed the peasants—that is, 75 per cent. of soldiers—of all initiative, of everything except the quality of patient endurance. The men were careless, inefficient and incapable of understanding why they fought. "A higher type of human animal was required to persevere through the monotony of disaster. For the fact that the Russian type was so low the Russian Government was largely to blame, for it had discouraged education and had allowed the brandy monopoly for many years to sap the character and grit of the people." Elsewhere General Knox says: "The Russians were just big-hearted children, who had thought out nothing, and had stumbled half-asleep into a wasps' nest." Even if the soldiers had been experts, moreover, they would still have been doomed because of the graft and corruption in the War Office at Petrograd, which sent them to the battle front barehanded, without weapons, to be massacred by tens of thousands.

# WHAT SOUTH CHINA IS FIGHTING FOR

By JOHN C. GRIGGS,  
Of the Canton Christian College

*How the South China Government was set up in Canton, and how Dr. Sun Yat-sen, its President, and the Civil Governor co-operate—State Rights in Kwangtung and Hupeh a sign of the new China*

THE next province north of us here in Canton is Hunan—"South of the Lake"—and beyond that is Hupeh—"North of the Lake." These two provinces, or rather certain purely local elements within them, are trying to throw off the dominance of outside force, to expel the military Governors and their armies, and to take the matter of governing into their own hands.

Hupeh, where the fighting has been going on, is mid-China. Astride of the great river, it contains the larger part of the Yangtse basin, and more important still the three closely clustered Wu-Han cities, Hankow, Wuchang and Hanyang, where among other new industries that of iron already begins to rival Pittsburgh. Although these enterprises seem to foreign eyes simply the result of Western industrialism, to the Chinese they are proving a revelation to themselves of the potentialities of their own capital and their own natural resources. To both foreigner and Chinese the new industrialism looms large as a factor in the new political system. At Hankow, moreover, the two great axes of the country intersect; east and west is the river with its oceangoing steamers; north and south from Peking to Canton is the immemorial route of conquest, administration and trade, and the site of the railroad of tomorrow. In terms of both geography and communication, therefore, Hupeh is China's centre, as in industrialism it is a leader.

Thus it is with unusual interest that we in September, 1921, are

watching the struggle for self-government going on in the central provinces. And this both because in Kwangtung the same effort for State rights has within the past year come to a successful issue, and because State rights seem to many to be the most promising source to which we can look for a substantial national sovereignty and eventual unity. It is a paradox that the very doctrine which in the United States has usually seemed the antithesis of union is now in China, as it was in the thirteen colonies of 1776, the only enduring basis on which a union can be erected.

It should be noted that in Hupeh, as elsewhere, the war for local sovereignty is only incidentally a revolt against Peking. Primarily the revolt is against the "Tuchun" or despotic militarist, who, either as the direct agent of Peking or with its connivance, is oppressing the province. Forces are being rushed to Hupeh from North and from West, and the Government of the South has announced its purpose to enter the fight. The old Tuchun was forced to resign and leave at the first shock of rebellion in July. Entered Wu Pei-fu, the man of mystery, who only a year ago was the idol of the students of the North because of his advocacy of local freedom and local control for all parts of China. Reluctantly accepting the overlordship of the whole troubled region, he hesitated a few days and then by proclamation and by ruthless destruction showed himself the implacable foe of disunion. For the moment



hostilities have been slackened by a partial truce whose outcome can only be surmised. The picture is still not clear. As on a film which has had two exposures, we see clearly Wu Pei-fu as the relentless militarist, yet almost equally clearly he is also seen as a declared home ruler and the lifelong intimate of one of the leading Generals of the opposing popular forces. Conferences are being held. Apparently there has been as yet no personal estrangement between the two. If they were playing only the accustomed military chess for power they might strike hands, call it a day and divide the spoils. But this cannot be done in the case of a popular uprising, and indeed these two men are commonly rated above a merely mercenary game.

#### THE CANTON LEADERS

Professor John Dewey says every one has for China a panacea beginning with "if." But there is certainly no "if" in what has been accomplished here in Kwangtung in the past year in the matter of local sovereignty. While the voice of the *demos* has been raised in no uncertain tone in Hupeh, hurling defiance at alien governorship and at the remote officialdom of Peking, this south province of Kwangtung has found not only the voice but the power to oust every alien officer and soldier, to set up and maintain from Canton and beyond an administration strictly native in personnel, in aim and in control. The Sun Yat-sen Government, indeed, in its local aspect, has already become a great achievement in self-realization. The erection of a well organized and orderly home soldiery under local and responsible leaders, the suppression of open gambling, the curbing of robbery in outlying districts with the demand that the authorities there shall assume responsibility for the elimination of all disorder, freedom from official extortion and graft, and the abolishing of execution for political offense, are all in sharp contrast to conditions a year ago under an outside military Governor and an alien

army. There can of course be no prediction that such things will supervene elsewhere in China in the near future, nor certainty that they will have permanence even here in Kwangtung. However satisfactory



DR. SUN YAT-SEN  
*President of the rival Government of China,  
located at Canton*

their aspect, their significance lies rather in the basis of altruistic idealism than in present accomplishment. Right here and now, however, there already exists a considerable realization of "social integration," new, real and spontaneous.

It is too long a story to tell how it all happened, if indeed any one person could know all the circumstances; but happen it did, and results are so apparent that they are not ignored even by the most hostile critics of the present regime. A Kwangtung army led by Kwangtung commanders in sympathy with the veteran "big three" leaders, Dr. Sun Yat-sen, Dr. Wu Ting-fang and former Prime Minister Tong Shao-yi, and helped by contributions from emigrant Cantonese the world over, invaded the province, threw out the usurpers and

established in city and province a Government of, by and for their own people. This was war, of course—bloodshed—but the whole affair was managed with as much gentleness



GENERAL CHAN CHIUNG-MING  
*Civil Governor of Kwangtung, South China*

and reason as was consistent with force. Looting and cruelty were not practiced by the incoming army, and so far as appeal, threat or bargain could manage it, the outgoing defeated army was kept from the ravaging and plunder which in most factional fights has been counted the soldier's dearest prerogative.

#### GENERAL CHAN'S WISDOM

To General Chan Chiung-ming, Commander-in-Chief, the greatest credit is due for his moderation and wisdom both during and since the campaign. It is noteworthy that he allowed himself to be elected civil Governor, instead of retaining the old title and autocratic power of military Governor. In a country where the military man still has unlimited

power over life and property, and where a civil Governor has been too often but a figurehead, it is no small thing for a man who in the flush of victory returns to his native province as an acclaimed deliverer to relinquish any of the traditional opportunity and popular glamour of a military hero, and to comprehend and assert the greater dignity and legality of the civil Governorship. General Chan is foremost in reform, in providing for the disbanded army of the former Administration, and in every constructive move.

With him came the three experienced advisers above mentioned. The proclamation of a national Government here as the only rightful central authority for the whole country, with the inauguration of Dr. Sun Yat-sen as President of China, soon followed. All the world knows the arguments upon which the claims of this Government are based. They are familiar to American readers and need not be here discussed, further than to say that the civil Governorship and the Sun Yet-sen regime are in their working out undeniably interdependent. The co-operation of General Chan with President Sun—at so many points where it was confidently predicted they would split—is sufficient refutation of the statements in foreign papers, both north and south, that these two men were at cross-purposes, and even bitter enemies.

Canton now has as Mayor the son of President Sun; a Board of Public Works which is carrying out municipal improvements worthy of the palmy days of city building in Budapest or Birmingham; a Board of Health which is attacking with vigor and success the insanitary conditions of markets, streets and housing. The police force in the city and on the river is admirable. In the interest of fairness, however, it must be said that some of these features were present even before the home rule restoration. An enthusiastic American friend, long resident here, told me two years ago that Canton was the most efficiently policed city in the

world; that street widening, bund building and other improvements had already well progressed, but that all local initiative labored heavily under the opposition, or greed, or false promises of a non-Cantonese Governor, who even in his best moods was indifferent and uninterested. The revoking of gambling licenses, with their millions of revenue, would have been then unthinkable.

#### THE LOCAL BATTLEFRONT

So far a fairly straight and understandable story. But in China more than elsewhere is it difficult to see through to the bottom of any affair. Last November, when the returning Kwangtung army was approaching from the east, and an attack on the city was daily expected, machine guns and sand-bag defenses were set up at important street corners, manned, of course, by the Kwangsi troops of the Governor then in power. But the anomalous thing was that the city's police force, strongly Kwangtung in personnel and sentiment and still nominally under the command of Ngai Bong-ping, remained on duty. Ngai Bong-ping himself, however, was one of the first instigators of the Kwangtung return and one of the right-hand men of General Chan, and actually at the moment in personal command of a large section of the attacking force. Though he himself had withdrawn from the city and was taking part in the attack, his own admirably disciplined police were still on duty. How could this be? Why did not the hordes of Kwangsi soldiers turn upon and overwhelm them, and then pillage the city and run? We foreigners could not understand, and never will know. Hundreds were being killed in the fighting so near the city that the guns were often heard, and wounded from both sides were being brought in to city hospitals. Occasional half-hearted attempts were made to disarm the police, and once some of our ladies got so near the altercation involved in the process that they had to dodge into a doorway to escape the bullets, but in general the city was quiet as

usual. We were at some pains to persuade the ladies to stay at home, but we ourselves, in necessary trips into the city, bravely mounted our prancing rickshaws and charged sandbags and machine guns without the slightest annoyance. It was a little disconcerting to whisk around a corner and come face to face with trenches and rifles, but on the sandbags would be Kwangsi soldiers and Kwangtung police unconcernedly chatting and swapping cigarettes. Probably it was a case of "dicker," for the evacuation was eventually carried out quietly, to the great relief both of foreigners and of a thoroughly terrified populace.

The new Government has stood, has carried out its next necessary move of overcoming the usurping troops in Kwangsi, the next province to the west, instituting there a similar home rule Government, and propping up a limp and wilted currency. It has also vindicated itself anew in establishing a broad-minded and cultured non-military man, Dr. Ma Chung-wu, as civil Governor of that province.

#### POPULAR SUPPORT

The question in all this, which has been brought about by force of arms, is whether the citizens of wealth and influence in the two provinces have enough self-realization and courage to furnish the moral background for its maintenance. To the peasantry, the farmers and poor villagers, of course, it means absolutely nothing except as they see results, for all soldiers are to them as tigers or invading insect pests, something to be put up with as a part of fate. The vote and citizenship in anything above village affairs can for the present mean little to them.

Two views obtain. The first is that high talk about reform and honest officials is but a part of the all-compelling military power, and whether trustworthy or not, will not be believed. The officer who arrests you for selling insanitary food in your restaurant is just as bad as the soldier who plunders your house, and is



but oppression in a new guise. Taxes are only plunder, and will be evaded. The other view, and the one which is to a degree correct here in Canton, is that there is recognition and support of these better things. Popular sentiment is certainly roused to an extent which in America might be considered pitifully slight, but enough to be already a dominant factor. The similar effort in Hupeh had its rise, whatever its outcome may be, in a strongly aroused popular protest. The mutiny in Ichang of a few months ago, and the pillaging and butcheries by alien soldiers, were the culmination of a series of outrages which at last have goaded the people of wealth and power to take matters into their own hands. And these gentry and rich merchants, with their vast clientele of dependents, are the tremendous potentiality which if once energized can do its will with anything, whether in Hupeh or any other province, if they but once become possessed with the idea that public affairs are their affairs, and that the possibilities lie in their hands. The days of the pretorian army, of the satrap government imposed from above for revenue only, are numbered through all China if—and here we must resort to the “if”—if local self-government be but once established. Here in Kwangtung the “if” has been eliminated, for this movement has come about entirely through local leaders, local soldiers and, although military means have been used, through successful appeal to local sentiment.

In several other provinces a similar appeal and effort is being made, not unmixed, to be sure, with selfishness, political corruption, greed and cruelty. Of all the many “awakenings of China” this is one of the most significant. Such an awakening in the Yangtse valley, which has already been reflected in the intervening Hunan province, can result only in a community of interest with us in the South and in the great strengthening of Dr. Sun's claim as the leader of all China. Whether his present determination to take a hand

in that fight is wise, time only can determine. His opinion of the possible issue of the movement is as follows: “There is little doubt that with the Southern provinces enjoying good government and prosperity under honest administration and a constructive program, other provinces will be only too ready to throw off the yoke of militarism and misrule, and, acknowledging the authority of this Government, bring about the much-desired unification of the country.”

The relation of all this to Peking, and to the tremendous power of the Manchurian war lord Chan Tso-lin in the North, is exceedingly complex. It would seem that the day is far distant when such a fortified power could be unseated. But the same might have been said of the An-fu Club two years ago. Things move quickly out here. No leader rides so fast and high that he may not be in a moment thrown. We are wondering whether that fabulously expensive armored Packard car of Chan Tso-lin's is really invulnerable.

No one can understand the cross-currents that move events contrary to tide and wind. Prophecy is a delusion, and of all prophecies that of your “old China hand”—the foreign merchant who has lived a lifetime in Shanghai or any of the treaty ports—is the most absurd and fallacious. He always bets on the wrong horse in matters of Chinese politics, and is rivaled only by the book-writing tourist, who comes with pomp and flourish, interviews officials, and returns to predict and publish. The first is usually British and the second, I regret to say, often American.

In contrast with these proud people, Professor Dewey is as fine an interpreter of China as we have had since the revolution. His protracted stay in the country, his many contacts, his broad mind and eminently sane and pragmatic view of things, have resulted in an exposition of the situation which is unique and as complete as any one man might achieve. Noteworthy in his many

articles is the entire absence of cocksureness or of advocacy of any one panacea, combined with his essential idealism.

### THE REAL CHINA

But the pity of it all is that China must be interpreted to the world so largely by foreigners. We know Russia through Russian novels rather than through Wells. Gorky has told us things that no visitor or foreign sojourner could tell, but it is only rarely that a Chinese writer tells us of his country. Loquacious, intelligent and well-informed as the Chinese are, they seldom write what all the world may read. The Canton Government, sensitive to this reproach, has established a publicity bureau which we are watching with interest. Some of the editorials in the Canton Times, written by a son of Dr. Wu and by other Chinese, are not only models of clear English, but give a point of view and understanding which no foreigner can attain. Westerners can never expound freely to the world what China is and what China is doing. China must get the ear of the world and speak in her own voice before the world can know her.

It is the vitality, the vigor, the fixedness of purpose of the common people that give one a feeling of China's strength and promise, something which cannot be expressed by an alien, which is neither the China of the newspapers nor of the diplomatic table. Spheres of influence, partition of the country, the supremacy of the prophesied "one strong man" or the return of the monarchy—all or any of these may supervene, but unless there should be wholesale devastation and extermination by some colossal and long-continued war the real China must persist in her present vigor, and bring up on the surface of events a national personality which, building from below, will reach a national unity commensurate with the marvelous racial unity of the Chinese people.

China is a topsy-turvy world indeed, as much upside down as we

ever, in childhood, imagined it to be, with perfectly smashing contradictions and perfectly hopeless conditions, some of which are charming in their inconsistency, and some repellant and abject. But beyond these there are so many other conditions betokening progress, intelligence and kindness, and withal a sort of national grace and graciousness, that China must some time win out in spite of her immemorial ineptitudes. It may be said without Western conceit or religious self-righteousness that the question is now whether the cross-fertilization of Western culture and Christianity will help turn the trick quickly or not. Japan with her astounding successes and confusing failures is not a complete answer, but a helpful commentary which China would do well to study with a more open mind.

Educational work in China is certainly most stimulating to those carrying it on, and, it is to be hoped, to the students also. There is no question about the Chinese receiving and assimilating information eagerly. There is no lack of intelligence or of willingness to discuss high principles of conduct and action. But the problem of helping them to gain a fine, strong moral fibre, which shall stand them in good stead in the tumult and warped conditions of social and political life, is another matter. One of them rather plaintively remarked, "It is easy enough to be a good boy inside this college." To help them discover and see clearly moral standards by which they can live after leaving college requires more than we sometimes can see. That which seems easy and clear to us is sometimes surprisingly obscure to them. Mere denunciation of evil and dishonesty doesn't accomplish much. Go as far as you please in condemnation, they will cap it with something more sweeping. All China stands waiting at this moment for superfluous denunciation to be translated into sane, intelligent uprightness. The dragon kite of idealism must be brought to earth. The psychology of the thing is somewhat obscure when you have

passed the crude distinctions between vice and virtue, between theft and honesty. An active morality is something more than blue-penciling out the wickedness of the world.

It is in this region beyond that educated leaders must find their great sphere of activity, whether in morals, in commerce, or in civil life. The two great needs are personal initiative and perservance. At precisely this point the Chinese is weakest, and here also the Westerner finds it most difficult to meet his necessity. Perservance of a certain kind the Chinese have in abundance; it is proverbial the world over. But it is the perseverance of habit along familiar lines. In this quality they excel us by far. It is the perseverance which goes hand in hand with initiative that is essential. This is new to their national mental habit. The most encouraging moral symptom in China today is found in those novel commercial or productive enterprises which have been initiated by Chinese unaided, and which are being successfully carried on. Though the way is strewn with faint-hearted and abortive attempts, there are some ventures that are being successfully

pushed. Here a man is making internal combustion engines, and doing it without foreign help; there a factory is turning out a high grade of Russia leather, and so it goes. There is progress here.

But though the Chinese work finely in all these particulars which involve mere faithfulness, the big objective is to help them to get wound up so that they will run by themselves, along new courses, or in case of emergency will be able to rewind themselves. It goes without saying that the same need is felt in America or wherever teaching is more than inculcation of formula. Here the need is emphasized by almost entire absence of such qualities.

Periodicals and books bring a flood of theory about China's needs, much of it wise and helpful, some of it acrimonious and hasty. Not without occasional bitterness of dismay do we try to see this great country's problems, but without undue optimism we cherish an abounding faith in its eventual emergence and self-mastery, and in its great future. Among the symptoms of self-mastery is the present assertion of State rights in Kwangtung and Hupeh.

*Canton, China, Sept. 26, 1921.*

## HOW SHERLOCK HOLMES FOOLED GERMANY

**I**N the German prison at Magdeburg during the war there were a number of English officers who yearned for news of the war and of England, but who could get no word. One of them one day was called by the authorities and told that an English book had been sent to him from England which he would be allowed to receive. Gratefully he took the book, together with a letter from its donor, no less a person than Sir Arthur Conan Doyle, whom the officer knew personally.

Unwrapped, the book proved to be a familiar volume of the famous Sherlock Holmes tales. The officer was disappointed, as he had already read the adventures of the subtle Holmes as recorded by his devoted Boswell, Mr. Watson, and wondered why the author had not sent him something new. The letter said: "It is slow, but per-

haps you might find the third chapter of a little more interest."

The officer glanced through the book, skimmed the third chapter, and did not find it either more or less interesting than before. A brother prisoner, Captain Keppel, however, was more successful; he borrowed the book, read the third chapter word for word and discovered its ingenious cipher message. Letter by letter Sir Conan Doyle had pricked out all the latest news from England, and the British prisoners had the joy of hearing from home. Their message of thanks, which the prison authorities innocently forwarded, simply said, "Please send us another Sherlock Holmes story." This piquant story was related by Sir Arthur at a dinner held in London on Sept. 28, 1921, and was greeted with laughter by the assembled guests.



# THE GREEK CAMPAIGN OF 1921

BY ADAMANTIOS TH. POLYZOIDES

Editor of the Greek daily, Atlantis

*Review of the war between Greece and the Turkish Nationalists, the present situation on both sides, and the problem that faces the Greeks*

THE year 1921 was an eventful and a hard one for Greece, with the Asia Minor campaign holding the centre of the stage. This campaign, which began in May, 1919, when the first Greek troops landed in Smyrna, was intensified and extended with the advent of the new popular Government to power. Thus, whereas under the Venizelos regime the Greek Army was restricted in both numbers and objectives, under the new regime it took the field in a more businesslike fashion with the purpose of dealing a body blow to all Turkish resistance along the only railroad connecting Constantinople with Angora and Konieh. It was felt by the Supreme Hellenic command that as long as Mustapha Kemal was the master of that railroad, no large-scale movements were possible for the Greek Army; therefore occupation of that line, with the capital junctions of Eski-Shehr and Afiun-Kara-Hissar, appeared to the Greek command as an absolute necessity.

It was with this intention that the 1921 campaign started in March from Ushak and Brusa, only to retreat almost immediately, when 40,000 Turkish troops, released through the Franco-Turkish armistice in Cilicia, came quite unexpectedly to strengthen the Kemalists forces facing the Greek Army. The operation was repeated a few months afterward, and was crowned with success on July 21, when Eski-Shehr was occupied by the victorious Greek Army.

When this was done, the question of going beyond the railroad line Ismid-Biledgik-Eski-Shehr, Afiun-Kara-Hissar-Konieh, was discussed at length by the Greek command, inasmuch as it was connected with an

advance toward the enemy capital of Angora.

The leaders of the Greek Army figured that by taking Angora they would secure a first-class moral, diplomatic and political victory, although in a military sense they knew that as long as Kemal's army would be able to retreat further to the east, the Greek campaign would become correspondingly more difficult and costly.

On the other hand, if Angora did not fall, the Greeks would still have much to gain by the destruction of the only railroad in possession of the enemy, and by the strengthening of their old positions resting on Brusa, Eski-Shehr and Afiun-Kara-Hissar. The Greek command thought that as long as Kemal held the railroad centres there was no safety for the Greek zone of Smyrna; and as long as Kemal could attack the Greek positions of Eski-Shehr and Kara-Hissar, the safety of these two vital points of the Greek front was, at best, doubtful.

Mustapha Kemal, on the other hand, fully realizing the bad effect that the loss of Angora would have on his army and people, strengthened that city to the extent of making a miniature Verdun out of it. This, combined with the fact that Angora is by nature a formidable fortress, protected on the north by a mountain chain almost inaccessible, and on the south by what is known as the Salt Desert, made it possible if not easy for the Turkish Nationalists to defend their capital successfully against the Greek onslaught. Nevertheless, the Turkish Army suffered such tremendous losses that its offensive power was definitely broken, as evidenced in a subsequent attempt to turn the Greek flank beyond Afiun-

Kara-Hissar, which ended in a dismal failure. In addition to this, Kemal lost the benefit of rail communication between his front and his only base, Angora—a stretch of 150 miles—as



Map of the region of Asia Minor in which the Greek Armies fought against the Turkish Nationalists under Kemal

the Greek Army in its leisurely retreat destroyed the entire length of that road.

To what extent the Greek positions were strengthened, after the Angora campaign, may be shown from the fact that on Oct. 1 the Turkish command, believing the Greeks to be demoralized and weak, launched a violent attack against Afiun-Kara-Hissar, in which five infantry divisions and three cavalry brigades, with adequate artillery, the total force being more than 40,000 men, took part. The battle, the last in the 1921 campaign, lasted nine days and ended in the utter rout of the Turks.

The net results of the campaign were stated by the Prime Minister of Greece, D. Gounaris, in the National Assembly of Athens on Oct. 15. In the first place, the territory allotted to Greece by the Sevres Treaty, comprising an area of 16,000 square kilometers, was increased to almost 100,000 square kilometers. The population of the former district was barely 1,000,000, whereas in the area at present occupied by the Greek Army 3,000,000 people are living contentedly under an administration that

has won the endorsement of even the bitterest enemies of Greece.

This campaign has cost Greece a sum equivalent to \$100,000,000 at the present rate of exchange. It has kept under the colors an army of over 300,000 men, fully equipped, fed and clothed as well as any first-rate army of its size.

At the close of the campaign, the Prime Minister of Greece, accompanied by his Minister of Foreign Affairs, left Athens and visited the Premiers of France and Great Britain to lay before them the situation in Asia Minor. On meeting Premier Briand, previous to the latter's departure for the Washington conference, Mr. Gounaris was officially informed of the Angora treaty between the French Government and the Government of Mustapha Kemal. Reduced to its essentials, this Franco-Turkish treaty is equivalent to the strengthening of Kemal's army by no less than 80,000 troops, such being, according to Premier Briand, the number of French troops hitherto facing an equal number of Turks in Cilicia. In addition to this, the French command of the Cilician forces left to the Turks enough supplies and ammunition to equip an army of 40,000 men. In order to counterbalance these reinforcements to the Turkish Army, Greece will have to call more reserves to the colors and organize a Spring offensive.

At this point the question of allied intervention came up for discussion. The Greco-Turkish war, to a certain extent, is a matter to be settled between the two belligerents; but to a greater extent it is a question in which not only Europe, but the world at large is interested. As long as conditions are not definitely settled in the Near East, the peace of Europe is not secure. A new Greek offensive probably will break the Turkish power completely; the expense, however, will be great, and the process will inflict new hardships upon a nation that has been at war almost continuously since 1912.

To say that Greece ought to abandon Asia Minor in the same way as the British have abandoned Mesopotamia, the Italians Southern Asia Minor and the French Cilicia, is to ignore the fundamental difference between these allied enterprises and the struggle of Hellas. Smyrna, for the Greeks, is not the same thing that Bagdad, or Adalia or Mersina is for the British, the Italians, the French; and what is true of Smyrna is true of the territory occupied by the Greek forces—even of the territory of Constantinople and the Straits. A single boat of the Khedivial Mail Line, or of the Italian Royal Mail or of the Messageries Maritimes of France, can very easily accommodate all the British, Italian or French population in Mesopotamia, or Adalia or Cilicia. But when the French troops the other day were ordered out of Cilicia, fully 170,000 Greek civilians sought shelter on the Greek mainland. This figure alone suf-

fices to show what would happen in Asia Minor should the Greek Army be asked to withdraw. Rather than do this, the Greek Government and the entire Greek people would stake their all in a new campaign, because to act otherwise would be tantamount to signing the death warrant of between two and three million Greeks, who have made their homes in the area that would fall under the sway of Kemalism.

Greece, although exhausted financially, has still the means of fighting her war to a complete success. It should be kept in mind, however, that the actual opponent of Greece is not Kemal's organization, but those powers and those influences that keep encouraging and strengthening Turkish resistance, and prevent a rational solution of the Near Eastern question. Therein lies the real difficulty that faces the Greek Nation in its struggle.

## THE SCENIC CHARM OF CHINA

IT is strange," says John C. Griggs of the Christian College at Canton, author of an article elsewhere in these pages, "that travelers have allowed the squalor of China's cities to blot from their vision and description the charm of Chinese landscapes. Hongkong is an apocalyptic revelation, its tossing 'Peak' trailing the glory of supernal vistas down along slopes of loveliness to a harbor and islands unexampled. And this mighty river, the Yangtse Kiang, with its myriad wanderings, reflects Nature in one of her most impressive moods. Across the miles of emerald rice, brown junk sails moving up some unperceived channel lure the sight and thought to unknown nooks of this multifarious delta, to monastery and lychee groves, to pagodas and remote dialects. The serrated skyline of tawny volcanic mountains and the ever-present lesser hills make the river trip up to Canton but a continuation and fulfillment of the exquisite beauty of Utah and Hawaii. \* \* \* The wealth of flowers we have here, and the birds, the tufted crests of

bamboo groves, and the great secular trees, that stand guard over the huddled brick villages to ward off devils. \* \* \* Passing the seagoing salt junks anchored above our landing, one goes up the river two miles and across to the eastern suburb end of the bund, among hundreds of freight boats, ferry boats, sewage boats, gambling boats, naval boats, black, cavernous cooking boats, red light boats, paddling boats, coal boats—two miles of boats on the river and two miles of solid yellow humanity surging by on the land. Then on foot into the cloistered quiet of Shameen, the foreign concession—the climax and quintessence of all living China changed in a moment to some fabled fairyland of cooing doves, grass-grown streets, Parsee names on old massive buildings of romance, false banyans vainly striving with their dangling web of roots high overhead to be true ones, and out in the harbor the still ships, tramps, gaudy passage boats, the hot Tarantula, British, broad, low, with white sides yet aglow from its blistering journey up the Euphrates!"



## DANGERS IN THE NEAR EAST

BY CONSTANTINE D. KOJOUHAROFF

Member of the Bulgarian National Scientific, Archeological, Historical and Geographic Societies

*A Bulgarian view of the injustice wrought to Macedonia, Thrace and Turkey by the decisions of the Paris Peace Conference—The dangers arising from these settlements, which breed hate and resentment*

THE Peace Conference at Paris was expected to solve all the questions out of which the great war arose, and to do it in a satisfactory manner, i. e., one by which the future tranquillity of Europe would be assured. This expectation has not been realized, for many differences continue to exist, a dangerous proportion of which have taken the form of open conflict.

Among the questions imperatively demanding a permanent solution was the distribution and disposition of the territories composing the countries of the Near East, and the attendant problems presented by Constantinople, the Straits, Thrace and Macedonia. On the successful solution of these depend, to a very great extent, the relations between the great powers and the Balkans—relations of paramount interest in the development of peaceful progress in Europe.

What was the attitude of the Peace Conference, however, when confronted with these serious problems? To what extent were the principles enunciated by President Wilson actually applied? It would be, I think, a waste of time to examine the questions in general. The decisions of the conference have already been appraised at their intrinsic value. It would be useless to submit them to further criticism, for the consensus of opinion is that, in general, they cannot stand criticism. They cannot be considered as anything other than the taking advantage of victory by the allied and associated powers to force on their defeated enemies conditions which they believe will insure them the realization of their territorial ambitions and imperialistic dreams. This is above all the case in the decisions in the Near East.

The geographical position of the coun-

tries of the Near East, their history, their ethnography, their international importance were, and still are, of such a nature that any one possessed of a sound understanding of the real interests of Europe sees clearly that all territorial questions affecting these areas must be decided according to their basic principles, and that those ambitions which favor misunderstanding, and which represent a constant source of armed conflicts, must be discarded, if permanent order is to be reached.

The conference was a stranger to every well-considered policy, which was based on Europe's real interest. It was but the medium of expression for the imperialistic desires of interested powers of the Entente. To rise above such inclinations and to reach solutions which would hold out to the peoples of the Near East the promise of future prosperity and progress, which moreover would tend to the elimination of occasions of misunderstanding and strife, seems to be at present unthought of by them. Instead of giving pre-eminence to ethnic and economic rules, instead of allowing to the populations in the contested localities the right of self-determination in the matter of their allegiance, the conference, by its decisions, determined the status of these peoples beyond possibility of appeal. And this was done because, had self-determination been allowed them, its manifestations would have frustrated the aspirations of those who, as victors, considered that they had the right to enforce their own wishes and to participate as largely as possible in the spoils of war.

The treatment accorded Macedonia, Thrace, the Zone of the Straits and Constantinople was anything but enviable. Macedonia was the booty of Greece and Serbia; Thrace was delivered into the hands

of Greece—geography, ethnography and economic importance to the surrounding countries notwithstanding, and the Zone of the Straits and Constantinople were placed under a régime which, though at first sight appearing to be a satisfactory solution, is in reality only a masked occupation, effected chiefly through British influence.

Sooner than might have been expected, we are witnessing some of the results of the work of the Paris Peace Conference. We are seeing the beginning of those systematic embroglios of which the decisions of the conference are the source. In Macedonia the population is placed under unbearable conditions—conditions far harder and more cruel than those imposed by the Turks. The rule of Greece and Serbia is merciless. Treated with injustice, subjected to brutal and systematic persecutions, the aim of which is to kill all national spirit, the population, utterly exasperated, is forced into one of two alternatives—either to abandon their homes and seek refuge in Bulgaria or to undertake a rebellious struggle against their oppressors. The same is also true of Thrace. By all means, legal and illegal, the people are fighting against the same oppression—oppression most brutally inflicted for the purpose of killing the national spirit or forcing it into submission.

The Macedonians and Thracians, seeing that the clauses of the treaty which should protect the rights of minorities remain nothing but so many written words, in their desperation have resorted to conspiracies against the existing authorities. And these are far more dangerous, far more inimical to peace than those which were formerly fomented against Turkey.

Even more complicated is the situation in the Straits and Asia Minor. There these difficulties, to which I have previously referred, have taken the shape of open warfare between the Turkish Nationalists and Greece. This conflict is the forefront of reaction; the beginning of an organized revolt against the cruelties inherent in the Peace Treaty, which will ultimately play a decisive part in the destinies of Europe. The bloc formed by Russia, Germany and Turkey hardly exists today in any perceptible degree. But presently it will take a far more conspicuous shape in a lasting alliance of common interests, opposed to the Entente, which is seemingly losing its prestige in a gradual process of disorgani-

zation, the fruit of rival territorial policies. With regard to the Straits in particular, Great Britain, who apparently does not possess the means of imposing and maintaining there the status created by the Peace Treaty, will be still less able to do so when she is confronted with the bloc headed by Russia, at last organized and holding all the points of strategic importance, and when the tremendous force of that bloc is directed to the overthrow of the present state of affairs. The belief in London was, and still seems to be, that the present chaotic condition of Russia, combined with the goodwill of Greece, would insure England of the advantage, whenever the present solution in her favor is called into question. To this end, and to safeguard her interests otherwise, she makes use of Greece. But however much she was mistaken in her conception of Russia's powerlessness, she was still more so when she intrusted to Greece tasks beyond the realization of a country that can hardly protect its own interests. To set such hopes on Greece indicated either that the country setting her on was in no wise acquainted with her, or that it took no account of her impotency, seeing only and caring only for the fact that her long expanse of coast line enabled her very easily to be kept under the influence and persuasions of a great sea power. Present events show clearly to what extent British policy was in error when it conceived the idea of making Greece a tool in the Balkans or the guardian of the Straits. And future events will most certainly exemplify this.

No one who is at all conversant with the past history of Greece will deny that Venizelos has deserved well of his country. When he came into power he directed all his efforts to create a State out of the financially bankrupt, politically corrupt and hopelessly disorganized Greek nation. Until Greece was involved in the great war, Venizelos continued to display great moderation as to any territorial aggrandizement. But at the Peace Conference his former wisdom was forgotten. The demands he made disclosed a policy the ruling spirit of which was a desire for further territories for Greece, and which relied for its success upon the fact that Great Britain would safeguard from attack any new Greek acquisitions. Perhaps in his heart Venizelos was conscious that he might be mak-

ing a mistake; but knowing the greed that is unfortunately only too well marked a characteristic of the Greek Nation, he was willing to risk it. If he could obtain a large and imposing booty, with which to satisfy this imperialistic appetite, he would thus maintain his own prestige and even further strengthen his position and his hold on power. But whatever the cause, he made the blunder that is now history, and Greece bears and will bear its disastrous consequences. She will lose, sooner or later, the majority of those raw territories which she now possesses, to say nothing of those to which on paper she is entitled. Her naïve and unrestrained enthusiasm has carried her headlong into an adventure which cannot in any way be understood as compatible with her true interests. For this, if for no other, reason, she will learn a lesson for which she will have to pay.

But the questions involved in the Balkans and Asia Minor are by no means exhausted by the outcome of this conflict between Greece and Kemal. Even if that conflict should be settled in the immediate future, there is nothing to lead one to suppose that an era of perfect security would immediately result. Macedonia, Thrace, the Straits, the mandates in Asia Minor are but a few

of the questions which remain to form centres of that Near Eastern policy which will be inevitably evolved from the conflicting interest of the Russo-German-Turkey bloc and Great Britain. And herein is a danger, too vast to be visualized in all its details, which the Peace Conference should have foreseen, and, foreseeing, should have endeavored to avoid. And yet far from seeking to minimize this menace of the future, the conference by its very decisions set up conditions which can breed only new rivalries and hates. And out of them will arise dangers to European peace far more to be feared than all the sum total of her pre-war jealousies and bickerings. It is sufficient to point out that from the ruins of Bolshevik Russia a democratic Russia has been born, and has fallen heir to that old need of her forefathers—a free outlet to the open sea. When one considers where alone this outlet can be found, and where in relation to it are located the countries whose trials and tribulations I have been discussing, it will readily be seen how the full weight of the mistake made by the Peace Conference may ultimately be brought home; brought home when it will be too late to try and undo it.

1,412 Massachusetts Avenue, Washington, D. C.,  
Sept. 19, 1921.

## THE INVENTOR OF THE GAS MASK

THE name of Lieut. Col. Edward Frank Harrison, the inventor of the gas mask, was honored officially by Great Britain on Nov. 2, 1921, when a memorial plaque to the late Controller of Chemical Warfare was unveiled at the Pharmaceutical Society in London by Sir L. Worthington-Evans, Secretary of State for War. The President of the society, in an opening address, told how Colonel Harrison entered the war in 1915 as a private at 47 years of age, how he was transferred to the Royal Engineers when the first German gas attack was made, and how, in 1916, as a result of his ceaseless research and hard work, the small box gas-respirator was produced, which saved the lives of hundreds of thousands of soldiers before the end of the war. No fewer than 20,000,000 of these gas masks were manufactured for the use of the British and allied armies. In recognition of his work, Colonel Harrison was made Deputy

Controller, and finally Controller of Chemical Warfare, which post he held up to his death in November, 1918, from pneumonia.

The Minister of War, in unveiling the memorial, paid high tribute to the inventor's devotion and spirit of self-sacrifice. The problem that Colonel Harrison was called on to solve, he said, was perhaps one of the most dramatic in warfare—to provide in the middle of a war, almost in the middle of a battle, an armor that would be proof against a new and sinister weapon, deadly to a degree hitherto unimagined in warfare. It was said to the honor of ancient Kings that they slew their thousands and their tens of thousands. It would be Harrison's memorial that he saved them, for not a man was sent to the front in the later years of the war who might not have to depend for his life at some unexpected moment on the skill and knowledge of the scientist they commemorated that day.



# KING CONSTANTINE'S GUILT

BY EFTHYMIUS A. GREGORY

*Answer to charges against the Greek King's actions during the war—  
Hitherto unpublished letter from General Callaris*

*To the Editor of Current History:*

One of your correspondents holds that it is unnecessary to prove the Greek King's guilt, so far as the alleged violation of the Greco-Serbian treaty alliance is concerned, since "it was established by the tribunal of mankind's foremost students of international agreements." I challenge any one to name the newspaper, magazine or book in which the official text of the Greco-Serbian treaty was published in full, also the date of its publication. I am convinced the readers of *CURRENT HISTORY* will duly appreciate the value of the verdict of "mankind's foremost students of international agreements" on the guilt of Greece in regard to the alleged violation of a treaty, the official text of which was never made public in its entirety. Most of the Venizelist assertions are on a par with the one above referred to.

The conflict of the allied marines with the Greeks at Athens has been characterized as a "cold-blooded assassination of French marines," and it has been charged that the Greek authorities are responsible for the conduct of the men who took part in this deplorable affair. At the outset, it was not a case of Greek Army or Greek civilians butchering innocent women and children. Allied marines, well equipped, fought with Greek soldiers and civilians, and the latter had approximately as many casualties as the former. But "where were the Athenian police? How did the mob get the uniforms, the machine guns and the Greek army rifles? Could a mob have terrorized officers? And were the mob leaders punished?"

In the Southern States, in the Western States and in practically every State of the Union we witness every day the utter inability of the authorities successfully to face infuriated crowds. Some years ago the inhabitants of the city of Omaha, Neb., virtually wrecked every Greek store in that city. Never, however, did the Greek Lega-

tion in Washington deem it wise to accuse the American Government of having ordered the attacking crowds to act in this manner.

In my previous communication I stated that "the fact that most of the persons involved in the conflict wore the uniform of the Greek soldier does not render Constantine responsible for their conduct." It was never my object to dispute the fact that most of the men were regular soldiers of Greece, though civilians, too, took part in the struggle. My purpose was to show that even soldiers, after all, are human beings, subject to the same passions as other human creatures. On the "battle of Athens" I will say nothing beyond this, as I feel that national interests are scarcely advanced by the pouring of oil on the fire of prejudice.

On the subject of Fort Rupel I will limit myself to presenting below the translation of a letter which was published in several of the Athens journals over the signature of General Callaris, than whom there is no more honest or more patriotic man in Greece, as even the Venizelists will admit. I quote from the Athenian *Politeia* of Oct. 6, 1921, page 1, column 3:

Athens, Oct. 4, 1921.

Dear Mr. Editor: In connection with what is published by Admiral Carr in *The Westminster Gazette* on the disposition of General Sarrail (who was at the time allied Commander in Chief at the Macedonian front) regarding the surrender of Fort Rupel, it is well to recall another fact, for the enlightenment of French public opinion.

When, in the Summer of 1916, demobilization and disarmament were imposed upon us by the Allies, it became virtually impossible for us, irrespective of our neutrality, to defend Eastern Macedonia, owing to the limitation of our forces there to the minimum and the cutting off of our communications, on land and sea, by the Allies themselves.

The Greek Government deemed it necessary (\*) to inform General Sarrail in due time of its inability to protect Eastern Macedonia, and to ask him if he was not willing to occupy the fortifications along the Greco-Bulgarian boundary line which we were to abandon.

(\*) In view of the imminence of a German attack after the completion of our demobilization.

General Sarraïl then replied that "the Greeks may act in accordance with their best interests, but it is not my intention to announce to them my disposition and the plans of my operations," thus rejecting our offer out of distrust of us.

GENERAL CALLARIS.

It is not unusual to see a fact disputed, but never have I seen before the results of an election disputed. In my previous communication I invoked the verdict of the four largest cities of Greece, i. e., Athens, Saloniki, Piraeus and Patras, in order to prove the absurdity of the Venizelist claim that the politicians opposing Mr. Venizelos exploited the ignorance of the rural population, &c. Your correspondent asserts that the above-listed names, as well as some villages of little importance, which he names, supported Mr. Venizelos and his candidates.

I challenge him to name one single Venizelist Deputy representing any of the above-listed cities, or, rather, a department of which any of the above-mentioned cities is a part. He also asserts that the majorities of the rural districts neutralized the results of elections in the larger cities. Permit me to state that the Department of Attica and Boeotia, for instance, has a population hardly in excess of half a million. Its two largest cities are Athens and Piraeus, with a population, according to the official census of 1921, of 300,000 and 135,000, respectively, making

a total of 435,000. Whether it is probable that the votes of 65,000 inhabitants could have offset the majority that is alleged to have been given by 435,000 I leave to CURRENT HISTORY readers to decide.

I stated on another occasion that my object was, and is, to defend the good judgment of the Hellenic people rather than the person of the King, and that, while Constantine may be guilty of the moral crimes ascribed to him, the evidence so far submitted is not conclusive. I reiterate those statements. Every man is innocent until proved guilty. The Greek voters, composing a huge jury, examined the evidence, and by their verdict, presented on Nov. 14, 1920, declared that it was not such as to warrant the charges against Constantine. The judges were competent. If all the anti-Constantine evidence was not presented to the jurors of Nov. 14, then it is the prosecution, the Venizelist régime, which is incompetent. Nothing is more natural than one's reluctance to form an opinion until one has examined all the documents related to the question on which one is invited to render an opinion. It would be possible for me to know whether the Greek King is guilty or innocent only if I had access to the files of the Greek Foreign Office.

If the attitude of the Venizelists here and in Greece is in harmony with the spirit of democracy, then we, in South Carolina, have a peculiar conception of the term.

Aiken, S. C., Dec. 7, 1921.

## PROGRAM OF THE NEW ALBANIAN GOVERNMENT

BY AN ALBANIAN

**F**OLLOWING the resignation on Oct. 17, 1921, of the Coalition Cabinet headed by M. Ilias Vrioni, the Regency Council of Albania called upon the Foreign Minister in that Cabinet, M. Pandeli Evangheli, to form a new Ministry. The result is as follows:

Premier and Minister of Foreign Affairs—M. Pandeli Evangheli.  
Minister of the Interior—Major Bajram Fevzi.  
Minister of Justice—Dr. Constantine Tasi.

Minister of Public Instruction—Michael Mosi.  
Minister of Finances—Amet Dakli.  
Minister of Public Works—Zia Dibra.  
Minister of War—M. Maksut.

The War portfolio was first offered to Isuf Gjénali, but he declined it, and the Under Secretary of War, Major M. Maksut, took his place.

This Cabinet came into being by a fusion into a "National Group" of the majority of the members of the Popular Party, of the Independence, and of a part of the Progress-

sive Party, with the effect that a new partisan alignment of forces took place. In consequence, the existence of the new Ministry is assured for some time, and, besides being composed of liberal elements headed by the first Christian Premier of the Greek Orthodox faith, M. Pandeli Evangheli, it promises to do a lot of cleaning up in the affairs of Albania. It should be interesting, therefore, to see what the new Cabinet proposes to do, as set forth before the Parliament by the Premier on Oct. 20, when it received its vote of confidence. (Three days later the Parliament adjourned until Jan. 4, 1922.) M. Evangheli said:

Gentlemen of the Parliament: I have the honor of informing you that, following the call on the part of the Regency Council, I accepted the grave responsibility of taking over the administration of Albania during these strenuous times, and that I have formed a new Cabinet. [Here he read the names of members as set forth above.] And we have undertaken this serious responsibility in these critical times through reliance on your confidence and on the support of the whole people of Albania.

In every field of governmental activity, gentlemen, we are confronted by very serious problems, the solution of which requires diligence, unity, energy and peace. The principal point in the program of the new Cabinet is to take care of the territorial integrity and the independence of the Albanian State. We will endeavor to obtain as soon as possible the formal recognition or our State on the part of the powers, and to establish diplomatic and friendly relations with the other States, especially with our neighbors. When we have secured peace from outside we shall turn our attention to internal matters, in order to put our country on the road to prosperity and progress, so that through the carrying out of such activities our nation shall furnish the proof of its being an element of peace and progress in the Balkans and of deserving the place it has taken among civilized nations.

In matters of internal policy the new Cabinet will carry out the necessary administrative reforms by establishing the principle of a "Government resting on the approval of the gov-

erned," by modernizing the administration, which we will put on sound bases. . . .

We will exert our utmost energy in the opening and constructing of roads, the importance of which escapes none; the solution of this problem is the first step toward the solution of the economic, financial and cultural problems of our national solidarity, which will justify us in foreseeing a clear horizon for the future of our country.

These are the major points of the program of the new Government, the rest being detailed accounts of the different reforms that are necessary in the various departments. As a matter of fact, this is the first authoritative, comprehensive and reasoned statement of the wants of the country, just as it is the first time that a definite pledge is given for their satisfaction.

And it would seem that the new Government has already inaugurated the carrying out of these promises, for it has actually fulfilled the principal point of its program, that of preserving the independence and territorial integrity of the State, as well as the pledge to obtain recognition from the powers. The new Ministry was less than a month old when it secured recognition from the powers. Among the first to extend formal recognition to the Government of Tirana as the de facto and de jure Government of Albania was Great Britain (Nov. 9, 1921), to be followed two days later by France and Italy. And on the 18th the Council of the League of Nations met at Paris to devise ways and means for enforcing the decision of the Allied Council of Ambassadors in fixing definitely the frontiers of Albania as against her Balkan neighbors, Yugoslavia and Greece. The matter has been settled by the two latter powers' acceptance of the frontier verdict and by their promise to live in peace with Albania, although Yugoslavia had been on the warpath for months.

## TOLSTOY'S HOME IN RUINS

ADVICES from Russia state that the famous home of Count Tolstoy at Yasnaya Polyana is falling into ruins. Free weekly pilgrimages have been run by the Soviet Government to the estate of the great writer, but nothing has been done for its upkeep. The Tolstoy family is now planning to start a world-wide restoration fund

of \$100,000, and also is working toward the foundation of a Tolstoyan University, the funds for which the members and friends of the family hope to obtain through the publication of a memorial edition of eighty volumes of Tolstoy's works. The novelist's daughter, Alexandra, is now preparing the first volume.



# ANGLO-FRENCH DISCORD IN TURKEY

BY HENRY WOODHOUSE

Author of "Dominant Factors Affecting International Relations," "The Inside of the United States versus British-Dutch Oil Controversy," "The Struggle for the World's Oil Resources," "The Textbook of Military Aeronautics," "The Textbook of Naval Aeronautics," "The Textbook of Aerial Laws," &c.

*Text of two secret treaties, hitherto unpublished, which reveal the inside reasons which led to Lord Curzon's severe strictures on France for concluding her agreement with Mustapha Kemal at Angora—Threat to British oil interests*

THE world read with amazement the public statements made in London on Nov. 24, 1921, by Lord Curzon, the British Secretary for Foreign Affairs, in which he condemned France's action in signing an agreement with the Turkish Nationalist Government and stated that peace will never be achieved "if one power tries to steal a march on another and concludes arrangements on its own account."

Lord Curzon's public arraignment of France created consternation in Washington diplomatic circles the next day. I noted the effect on the members of the armament delegations as I visited them at their hotels. "What does Lord Curzon mean?" was the general query. The faces of the delegates and advisers at the conference table that day were visibly disturbed.

Premier Briand, who was known to have directed the bringing about of the French-Turkish agreement, was sailing that morning from New York, and no one else seemed to know why a Near East matter was permitted to offset the progress made at the disarmament conference. Then I remembered that I had a copy of the peace treaty signed at Sèvres on Aug. 10, 1920, between Turkey on one side and Great Britain, France, Italy, Japan, Belgium, Greece, Portugal, Armenia, Poland, Rumania, Czechoslovakia and Hedjaz on the other. I had taken this document and copies of a number of other treaties and agreements, including the secret San Remo and other Anglo-French agreements, to Washington to verify certain matters relative to questions which I expected would arise when the mandate question came up for discussion. The hundred large printed pages of the Sèvres treaty and the accompanying maps showing the southern

frontier of Turkey and Asia were quickly scanned. By comparing the southern frontier of Turkey in Asia, agreed upon at Sèvres, with the frontier defined in the new Franco-Turkish agreement, the first possible cause for British complaint appeared in the fact that France had agreed to grant the Turks certain territorial concessions, and that upon the ratification of the Angora agreement France had proceeded to withdraw over 50,000 French soldiers from her Anatolian army of occupation. The concessions do not represent a loss to France, while the ending of the Anatolian military operations brings definite relief. To Great Britain both represent a definite loss, the nature of the loss being expressed in terms of land producing oil and other minerals, and reduction in protection through withdrawal of French troops.

The full text of the San Remo agreement, heretofore withheld from publication, only a résumé having been made public, indicates the extent of the operations planned on former Turkish territories by the British Government. The uncompromising attitude of the British Foreign Office in replying to the American notes regarding Mesopotamian oil rights indicates the importance placed by the British Government on these oil resources, which Great Britain would control under both the mandate and the San Remo agreement.

## TEXT OF SAN REMO PACT

The full text of the San Remo agreement, which is illuminating, is as follows:

MEMORANDUM OF AGREEMENT between M. Philippe Berthelot, Directeur des Affaires politiques et commerciales au Ministère des Affaires Etrangères, and Professor Sir John

*Cadman, K. C. M. G., Director in Charge of his Majesty's Petroleum Department:*

1. By order of the two Governments of France and Great Britain, the undersigned representatives have resumed, by mutual consent, the consideration of an agreement regarding petroleum.

2. This agreement is based on the principles of cordial co-operation and reciprocity in those countries where the oil interests of the two nations can be usefully united.

This memorandum relates to the following States or countries: Rumania, Asia Minor, territories of the old Russian Empire, Galicia, French colonies and British Crown colonies.

3. The agreement may be extended to other countries by mutual consent.

4. RUMANIA—The British and French Governments shall support their respective nationals in any common negotiations to be entered into with the Government of Rumania, for

(a) The acquisition of oil concessions, shares or other interests belonging to former enemy subjects or bodies in Rumania which have been sequestrated, e. g., the Steaua Romana, Concordia, Vega, &c., which constituted in that country the oil groups of the Deutsche Bank and of the Disconto Gesellschaft, together with any other interests that may be obtainable.

(b) Concessions over oil lands belonging to the Rumanian State.

5. All shares belonging to former enemy concessions which can be secured, and all other advantages derived from these negotiations shall be divided, 50 per cent. to British interests and 50 per cent. to French interests. It is understood that in the company or companies to be formed to undertake the management and the exploitation of the said shares, concessions and other advantages, the two countries shall have the same proportion of 50 per cent. in all capital subscribed, as well as in representatives on the board, and voting power.

6. TERRITORIES OF THE LATE RUSSIAN EMPIRE—In the territories which belong to the late Russian Empire, the two Governments will give their joint support to their respective nationals in their joint efforts to obtain petroleum concessions and facilities to export and to arrange delivery of petroleum supplies.

7. MESOPOTAMIA—The British Government undertake to grant to the French Government or its nominee 25 per cent. of the net output of crude oil at current market rates which his Majesty's Government may secure from the Mesopotamian oil fields, in the event of their being developed by Government action; or in the event of a private petroleum company being used to develop the Mesopotamian oil fields, the British Government will place at the disposal of the French Government a share of 25 per cent. in such company. The price to be paid for such participation to be no more than that paid by any of the other participants to the said petroleum company. It is also understood that the said petroleum company shall be under permanent British control.

8. It is agreed that, should the private pe-

troleum company be constituted as aforesaid, the native Government or other native interests shall be allowed, if they so desire, to participate up to a maximum of 20 per cent. of the share capital of the said participation, and the additional participation shall be provided by each participant in proportion to his holdings.

9. The British Government agree to support arrangements by which the French Government may procure from the Anglo-Persian Company supplies of oil, which may be piped from Persia to the Mediterranean through any pipe line which may have been constructed within the French mandated territory, and in regard to which France has given special facilities, up to the extent of 25 per cent. of the oil so piped, on such terms and conditions as may be mutually agreed between the French Government and the Anglo-Persian Company.

10. In consideration of the above-mentioned arrangements the French Government shall agree, if it is desired and as soon as application is made, to the construction of two separate pipe lines and railways necessary for their construction and maintenance, and for the transport of oil from Mesopotamia and Persia through French spheres of influence to a port or ports on the Eastern Mediterranean. The port or ports shall be chosen in agreement between the two Governments.

11. Should such pipe line and railways cross territory within a French sphere of influence, France undertakes to give every facility for the rights of crossing without any royalty or wayleaves on the oil transported. Nevertheless, compensation shall be payable to the landowners for the surface occupied.

12. In the same way France will give facilities at the terminal port for the acquisition of the land necessary for the erection of depots, railways, refineries, loading wharves, &c. Oil thus exported shall be exempt from export and transit dues. The material necessary for the construction of the pipe lines, railways, refineries and other equipment shall also be free from import duties and wayleaves.

13. Should the said petroleum company desire to lay a pipe line and a railway to the Persian Gulf, the British Government will use its good offices to secure similar facilities for that purpose.

14. NORTH AFRICA AND OTHER COLONIES—The French Government will give facilities to any Franco-British group or groups of good standing, which furnish the necessary guarantees and comply with French laws, for the acquisition of oil concessions in the French colonies, protectorates and zones of influence, including Algeria, Tunis and Morocco. It should be noted that the French Parliament has resolved that groups so formed must contain at least 67 per cent. French interests.

15. The French Government will facilitate the granting of any concessions in Algeria which are now under consideration, as soon as the applicants have complied with all the requirements of the French laws.

16. BRITISH CROWN COLONIES—In so far as existing regulations allow, the British Gov-

ernment will give to French subjects who may wish to prospect and exploit petroliferous lands in the Crown colonies, similar advantages to those which France is granting to British subjects in the French colonies.

17. Nothing in this agreement shall apply to concessions which may be the subject of negotiations initiated by French or British interests.

18. This agreement had today been initiated by M. Philippe Berthelot and Professor Sir John Cadman, subject to confirmation by the French and British Prime Ministers, respectively.

San Remo, April 24, 1920. J. CADMAN,  
P. BERTHELOT.

Confirmed—D. LLOYD GEORGE,  
A. MILLERAND.

April 25, 1920.

#### WHY ENGLAND OBJECTS

The San Remo agreement explains in part what Lord Curzon, the British Secretary for Foreign Affairs, meant by his statements of Nov. 24, upbraiding France for having concluded an agreement with the Angora Government, and especially by his pointed statement that peace will never be achieved "if any one power tries to steal a march on another and concludes arrangements on its own account," but to understand his statements fully we must review the Turkish situation and also read another heretofore unpublished Anglo-French agreement, dated Dec. 23, 1920.

The world knows that a peace treaty was entered into at Sèvres between the allied and associated powers and Turkey on Aug. 10, 1920, and that by that treaty Turkey gave up certain territories, including Mesopotamia, Kurdistan, Syria and Palestine, which territories, according to the decisions of the Peace Conference, were to be placed under the mandate form of government. Subsequently the world learned that the United States had objected to the award of mandates by the League of Nations to Great Britain and Japan without the approval of the United States, and that as a result the League of Nations had notified the United States that the mandates would be submitted to the Washington Government for approval before awarding them.

The world also learned that the United States had protested to the powers against the secret agreement entered into at San Remo in April, 1920, between England and France, to pool and divide among themselves certain oil resources in the Near East, but the details of this agreement remained a secret, the references to the San

Remo agreement contained in the protests of the United States being general protests against what appeared to the American Government to be a monopolistic grab of the former Turkish oil fields by Great Britain, and the barring of Americans from their legal rights to Turkish oil fields acquired before the war, it being known that these former Turkish territories are rich in oil lands, capable of yielding probably over five billion barrels of oil, or as much as the total estimated oil resources of the United States.

The signing of the Sèvres Treaty was to terminate the state of war between Turkey and the signatory nations, but it did not produce this result. The Kemalists and other Turkish Nationalists and independents proceeded to fight the British, the French and the Greeks, with varied success. The Turks proved to be stronger than had been expected; they drove back the Greeks, and made it desirable to the French to make territorial concessions for the sake of their peaceable possession of the territory on the southern frontier of Asiatic Turkey. By the agreement recently concluded at Angora by the French representative, Henry Franklin-Bouillon, France made considerable concessions to the Kemalists, to which the British object strenuously.

#### ANOTHER SECRET PACT

The inside reason why Lord Curzon objects to the French concessions is that they endanger the British oil monopoly on former Turkish territory established by means of the secret San Remo agreement, supported by the Sèvres treaty, and further strengthened by an agreement dated Dec. 23, 1920. The text of this additional agreement, hitherto unpublished, reads as follows:

FRANCO-BRITISH CONVENTION OF DEC. 23, 1920, ON CERTAIN POINTS CONNECTED WITH THE MANDATES FOR SYRIA AND THE LEBANON, PALESTINE AND MESOPOTAMIA.

*The British and French Governments, respectively represented by the undersigned plenipotentiaries, wishing to settle completely the problems raised by the attribution to Great Britain of the mandates for Palestine and Mesopotamia, and by the attribution to France of the mandate over Syria and the Lebanon, all three conferred by the Supreme Council at San Remo, have agreed on the following provisions:*

**ARTICLE I.**—The boundaries between the territories under the French mandate of Syria and



the Lebanon, on the one hand, and the British mandates of Mesopotamia and Palestine, on the other, are determined as follows:

On the east, the Tigris from Jezireh-ibn-Omar to the boundaries of the former vilayets of Diarbekir and Mosul.

On the southeast and south, the aforesaid boundary of the former vilayets southward as far as Rumelan Koeli; thence a line leaving in the territory under the French mandate the entire basin of the Western Kabur, and passing in a straight line toward the Euphrates, which it crosses at Abu Kemal; thence a straight line to Intar to the south of Jebul Druse, then a line to the south of Masib on the Hedjaz Railway, then a line to Semakh on the Lake of Tiberias, traced to the south of the railway, which descends toward the lake and parallel to the railway. Deraa and its environs will remain in the territory under the French mandate; the frontier will in principle leave the valley of the Yarmuk in the territory under the French mandate, but will be drawn as close as possible to the railway in such a manner as to allow the construction in the valley of the Yarmuk of a railway entirely situated in the territory under the British mandate. At Semakh the frontier will be fixed in such a manner as to allow each of the two high contracting parties to construct and establish a harbor and railway station giving free access to the Lake of Tiberias.

On the west the frontier will pass from Semakh across the Lake of Tiberias to the mouth of the Wadi Massadye. It will then follow the course of this river upstream, and then the Wadi Jeraba to its source. From that point it will reach the track from El Kuneitra to Banias at the point marked S'ek; thence it will follow the said track, which will remain in the territory under the French mandate as far as Banias. Thence the frontier will be drawn westward as far as Metullah, which will remain in Palestinian territory. This portion of the frontier will be traced in detail in such a manner as to insure for the territory under the French mandate easy communication entirely within such territory with the regions of Tyre and Sidon, as well as continuity of road communication to the west and to the east of Banias.

From Metullah the frontier will reach the watershed of the valley of the Jordan and the basin of the Litani. Thence it will follow this watershed southward. Thereafter it will follow in principle the watershed between the Wadis Farah-Houroun and Kerkera, which will remain in the territory under the British mandate, and the Wadis El Doubleh, El Aoun and Es Zer'ka, which will remain in the territory under the French mandate. The frontier will reach the Mediterranean Sea at the port of Ras-el-Nakura, which will remain in the territory under the French mandate.

**ARTICLE II.**—A commission shall be established within three months from the signature of the present convention to trace on the spot the boundary line laid down in Article I., and shall be composed of four members. Two of these members shall be nominated by the British and French Governments, respectively, the two others shall be nominated, with the

consent of the mandatory power, by the local Governments concerned in the French and British mandatory territories, respectively.

In case any dispute should arise in connection with the work of the commission, the question shall be referred to the Council of the League of Nations, whose decision shall be final.

The final reports by the commission shall give the definite description of the boundary as it has been actually demarcated on the ground; the necessary maps shall be annexed thereto and signed by the commission. The reports, with their annexes, shall be made in triplicate; one copy shall be deposited in the archives of the League of Nations, one copy shall be kept by the mandatory, and one by the other Government concerned.

**ARTICLE III.**—The British and French Governments shall come to an agreement regarding the nomination of a commission, whose duty it will be to make a preliminary examination of any plan of irrigation formed by the Government of the French mandatory territory, the execution of which would be of a nature to diminish in any considerable degree the waters of the Tigris and Euphrates at the point where they enter the area of the British mandate in Mesopotamia.

**ARTICLE IV.**—In virtue of the geographic and strategic position of the Island of Cyprus, off the Gulf of Alexandretta, the British Government agrees not to open any negotiations for the cession or alienation of the said Island of Cyprus without the previous consent of the French Government.

**ARTICLE V.**—(1) The French Government agrees to facilitate by a liberal arrangement the joint use of the section of the existing railway between the Lake of Tiberias and Nasib. This arrangement shall be concluded between the railway administrations of the areas under the French and British mandates, respectively, as soon as possible after the coming into force of the mandates for Palestine and Syria. In particular the agreement shall allow the administration in the British zone to run their own trains, with their own traction and train crews, over the above section of the railway in both directions for all purposes other than the local traffic of the territory under the French mandate. The agreement shall determine at the same time the financial, administrative and technical conditions governing the running of the British trains. In the event of the two administrations being unable to reach an agreement within three months from the coming into force of the two above-mentioned mandates, an arbitrator shall be appointed by the Council of the League of Nations to settle the points as to which a difference of opinion exists, and immediate effect shall be given as far as possible to those parts of the agreement on which an understanding has already been reached.

The said agreement shall be concluded for an indefinite period and shall be subject to periodical revision as need arises.

(2) The British Government may carry a pipe line along the existing railway track, and shall have in perpetuity and at any moment, the right to transport troops by the railway.

(3) The French Government consents to the nomination of a special commission, which, after having examined the ground, may readjust the above-mentioned frontier line in the valley of the Yarmuk as far as Nasib, in such a manner as to render possible the construction of the British railway and pipe line connecting Palestine with the Hedjaz Railway and the valley of the Euphrates, and running entirely within the limits of the areas under the British mandate. It is agreed, however, that the existing railway in the Yarmuk Valley is to remain entirely in the territory under the French mandate. The right provided by the present paragraph for the benefit of the British Government must be utilized within a maximum period of ten years.

The above-mentioned commission shall be composed of a representative of the French Government and a representative of the British Government, to whom may be added representatives of the local Governments and experts as technical advisers to the extent considered necessary by the British and French Governments.

(4) In the event of the track of the British railway being compelled for technical reasons to enter in certain places into the territory under French mandate, the French Government will recognize the full and complete extra-territoriality of the sections thus lying in the territory under the French mandate, and will give the British Government or its technical agents full and easy access for all railway purposes.

(5) In the event of the British Government making use of the right mentioned in paragraph 3 to construct a railway in the valley of the Yarmuk, the obligations assumed by the French Government in accordance with paragraphs 1 and 2 of the present article will determine three months after the completion of the construction of the said railway.

(6) The French Government agrees to arrange that the rights provided for above for the benefit of the British Government shall be recognized by the local Governments in the territory under the French mandate.

**ARTICLE VI.**—It is expressly stipulated that the facilities accorded to the British Government by the preceding articles imply the maintenance for the benefit of France of the provisions of the Franco-British Agreement of San Remo regarding oil.

**ARTICLE VII.**—The French and British Governments, in their respective mandatory areas, will put no obstacle in the way of the recruitment of railway staff for any section of the Hedjaz Railway. Every facility will be given for the passage of employees of the Hadjaz Railway over the British and French mandatory areas in order that the working of the said railway may be in no way prejudiced. The French and British Governments agree, where necessary, and in eventual agreement with the local Governments, to conclude an arrangement whereby the stores and railway material passing from one mandatory area to another and intended for the use of the Hedjaz Railway, will not for this reason be submitted to any additional customs dues, and will be exempted so far as possible, from customs formalities.

**ARTICLE VIII.**—Experts nominated respec-

tively by the Administrations of Syria and Palestine shall examine in common within six months after the signature of the present convention the employment, for the purposes of irrigation and the production of hydro-electric power, of the waters of the Upper Jordan and the Yarmuk and of their tributaries, after satisfaction of the needs of the territories under the French mandate. In connection with this examination the French Government will give its representatives the most liberal instructions for the employment of the surplus of these waters for the benefit of Palestine. In the event that no agreement is reached, these questions shall be referred to the French and British Governments for decision.

To the extent to which the contemplated works are to benefit Palestine, the Administration of Palestine shall defray the expenses of the construction of all canals, weirs, dams, tunnels, pipe lines and reservoirs or other works of a similar nature, or measures taken with the object of reafforestation and the management of forests.

**ARTICLE IX.**—Subject to the provisions of Articles 15 and 16 of the mandate for Palestine, of Articles 8 and 10 of the mandate for Mesopotamia, and of Article 8 of the mandate for Syria and the Lebanon, and subject also to the general right of control in relation to education and public instruction, of the local Administrations concerned, the British and French Governments agree to allow the schools which the French and British nations possess and direct at the present moment in their respective mandatory area to continue their work freely; the teaching of French and English will be freely permitted in these schools. This article does not in any way imply the right of nationals of either of the two parties to open new schools in the mandatory area of the other.

The present convention has been drawn up in English and French, each of the two texts having equal force. Done at Paris, Dec. 23, 1920, in two copies, one of which will remain deposited in the archives of the Government of the French Republic, and the other in those of the Government of his Britannic Majesty.

HARDINGE OF PENSHURST.

G. LEYGUES.

This secret Franco-British convention entered into on Dec. 23, 1920, to strengthen the San Remo agreement and provide for joint British and French co-operation in certain points connected with the mandates for Mesopotamia, Palestine, Syria and Lebanon, was entered into after the signing of the Sèvres Treaty and after the receipt by Great Britain of the United States notes, including the Colby note of Nov. 20, 1920, protesting against the San Remo agreement and against the establishing of a British oil monopoly in Mesopotamia and other mandated territories.

The British Foreign Office had assured

the United States in earlier notes that the reports of British oil operations in Mesopotamia were unfounded, but the United States Government found evidence to the contrary, and so stated in the letters and notes transmitted to the British Foreign Office by Ambassador John W. Davis, under date of May 12, 1920, July 28, 1920, and Nov. 20, 1920. To strengthen her position in establishing an oil monopoly in mandated countries Great Britain entered into the new convention, the text of which has just been given.

#### TURKEY'S FIGHTING GOVERNMENT

Turkey has a passive Government in Constantinople and a fighting Government at Angora. Great Britain would confine dealings entirely to the passive Sultan Government in Constantinople, and would shun Mustapha Kemal's Nationalist fighting Government at Angora. But the army of the Turkish fighting Government has pushed its way past the southern frontier of Turkey in Asia established by the Treaty of Sèvres, has proved very troublesome to both the French and Greek forces in Syria, and has threatened the Anatolia-Bagdad Railway. The Kemalist forces have also threatened the British in Mesopotamia, but the British Royal Air Force, under command of Lieut. Gen. Sir J. A. L. Haldane, officer commanding-in-chief the Mesopotamia Expeditionary Force, has successfully dealt from the air with the situation and has discouraged attacks.

Strict British censorship has prevented the world from learning the extent of the operations conducted by the British Air Force in connection with what is termed the "Mesopotamia insurrection." But it is known that the "area of insurrection," though large at various times in the last two years, has been successfully reduced by the British Air Force.

The French did not consider the campaigns of Mustapha Kemal as insurrection, but rather as a continuation of war. From 75,000 to 100,000 French soldiers were required in that area, and several thousand French soldiers were killed in engagements. The cost of maintaining so large an army so far from France was large, and the French nation grumbled about it.

Though France is interested in protecting the Anatolia-Bagdad Railway, she is

not as concerned as England is in holding and protecting the oil fields of former Turkish territory. On the other hand, the British Foreign Office knows that the Turkish Nationalists have never approved or recognized the British claims to Turkish oil fields, and that, if they should be victorious, the British oil monopoly on former Turkish territory would be in danger.

Since the allied nations had recognized the Kemal Government to the extent of receiving the Kemal representatives at the London Session in March, 1921, listening to their proposals to modify the Sèvres Treaty, and submitting to the Turkish Nationalist representatives a number of plans containing better terms than those of the Sèvres Treaty, the recognition of the Angora Government by France was not as radical a step as it appears to be on first consideration. As a matter of fact, the Franco-Turkish agreement signed at Angora, and ratified by the Nationalist Assembly, is apt to endure, where a similar agreement executed by the Constantinople Government would not.

[For text of that agreement see article on "France's Pact With Mustapha Kemal."]

#### THE SULTAN'S GOVERNMENT

In the absence of a Turkish Parliament at Constantinople, the last Chamber of Deputies having been dissolved on April 11, 1920, after only three months of existence, the Great National Assembly at Angora exercises the functions of a Parliament and makes the de facto Government established by Mustapha Kemal Pasha a dominant factor, much stronger than the Government of Mohammed VI., the reigning Sultan of Turkey. The Sultan is, of course, the only legitimate head of the Government. Entitled to the Ottoman throne as the successor of his elder brother, Sultan Mohammed V., following the latter's death on July 3, 1918, he lost power with the Turkish Nationalists through his apparent approval of the Treaty of Sèvres, which surrendered to the allied powers and newly created countries a considerable amount of Turkish territory.

Had this Peace Treaty, signed at Sèvres on Aug. 20, 1920, been ratified, or recognized by the United States, the leading signatory nations outside of Great Britain—France, Italy and Greece—would no doubt



have felt obliged to carry out to the letter the decisions of the Council of the League of Nations embodied in that treaty, and would not have recognized the Kemal Government at Angora. But, even with the support given him by the landing of the Anglo-French-Italian army at Constantinople on March 16, 1920, the Sultan was unable to gather sufficient power to form a Cabinet with enough stability and influence to offset the Kemalist Party.

Mustapha Kemal and his following succeeded in turn in causing the downfall of the Ministry headed by Grand Vizier Damad Pasha, notwithstanding the Sultan's refusal to remove him when requested by the Young Turks; the Nationalist Ministry headed by Grand Vizier General Ali Riza Pasha went down on account of the establishing of the rival Government at Angora; and the Ministry of Grand Vizier Salih Pasha went down because it was openly favorable to the allied powers, and was succeeded by the Cabinet headed by Grand Vizier Damad Pasha, which also fell through lack of support.

The Cabinet headed by Grand Vizier Tewfik Pasha, which took office on Oct. 21, 1920, weathered many storms, but found itself unable to act, due to the absence of a Turkish Parliament, it having proved impossible to constitute another Parliament since April 11, 1920, when the new Chamber, which had been assembled on Jan. 12, 1920, was dissolved. The turbulent situation prevented the holding of the elections provided for by the Turkish Constitution,

and that left the Constantinople Turkish Government without a Parliament. This deficiency on the part of the Constantinople Government added strength to the rival Government at Angora, and the Great National Assembly at Angora has exercised the function of a Parliament, thereby giving the de facto Government set up by Mustapha Kemal practically supreme executive authority over internal Turkish affairs as well as foreign affairs.

Mustapha Kemal Pasha and his followers want the Treaty of Sèvres revised; they want all the concessions made to Turkey by the allied countries at the London (March, 1921) session retained, and additional concessions made in the Straits and Smyrna zones; they also want concessions in the financial clauses of the peace treaty. France has been in favor of making these concessions, and the other nations practically acquiesced in them at the London sessions.

France, therefore, felt at liberty to enter into the agreement with the Angora Government, which cost her but little in concessions and made it possible to release about 75,000 French soldiers in Anatolia. The British, however, see in this French compact with Angora a danger to the provisions of the San Remo agreement and of the Franco-British agreement of Dec. 23, 1920, and an undermining of the British oil monopoly on former Turkish territory, which the British had established and strengthened by these agreements.

## AMERICAN INDIANS IN THE WAR

STATISTICS collected in Europe by Dr. Joseph K. Dixon, a specialist on the history of the American Indian, show that more than 17,000 Indians fought in France, and made for themselves a brilliant record, attested by the official statements of the leading Generals of the allied armies. Their service embraced twenty-eight battle sectors, all of which Dr. Dixon visited. One hundred and fifty Indians received decorations for conspicuous bravery. One of the hundred bravest soldiers selected by General Pershing was an Indian named Sevalia. The crosses over the Indian graves in France, says Dr. Dixon, bear such pictur-

esque names as "Takes the Shield," "Good Bear," "Fights the Enemy," and "Goes Forth."

Dr. Dixon urges proper measures for the improvement of the lot of the Indians living on American reservations. From 1,200,000, he says, they have been reduced by hardships and repressions to 332,000. "The Indians fought for democracy," he adds, "in the battles of the Revolutionary War, in the battles of the Civil War and in the battles for the freedom of France and Belgium. They fought for a freedom which is denied them in the land of their birth. How will America now treat the question?"

## FRANCE'S PACT WITH MUSTAPHA KEMAL

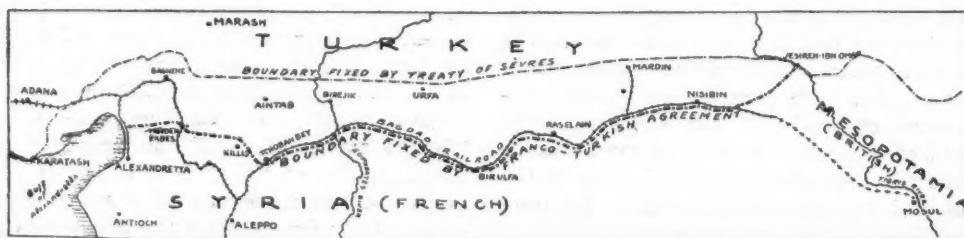
*Terms of the treaty concluded by the French Government with the Turkish Nationalists at Angora—France recognizes the Mustapha Kemal regime, obtains a fixation of boundaries with French Syria and gets important concessions—British and Greek reactions*

THE situation in Asia Minor is badly tangled. The Greeks are still at war with the Nationalist Turks of Mustapha Kemal, who is entrenched in his capital at Angora, and who declares his Government to be the de facto Government of Turkey. The British, who are in control of Constantinople, assert that the Sultan's Government, localized in that city, is the true one, whereas the French, who are in Syria and Cilicia, are pinning their faith on the Nationalists. The situation took on new complications in October, when the French Government made a new treaty of peace with the Angora Government.

This treaty, the text of which is published below, was signed at Angora on Oct. 20, 1921, and was ratified by the Angora Grand Parliament a few days later. M. Henry Franklin-Bouillon, head of the French mission that negotiated the compact, returned with it to Paris shortly afterward. Its conclusion gave France important advantages, notably the ability to withdraw her troops from Cilicia (leaving Greece isolated); the fixing of boundaries between Turkey and French Syria, and the obtaining of important railway concessions for French interests. The new agreement followed the lines of the treaty negotiated by M. Briand, the French Premier, with Bekir Sami Bey in London last March. [Printed in CURRENT HISTORY for May,

1921.] It contained, however, two new clauses—Articles 8 and 10—which caused Lord Curzon, the British Secretary for Foreign Affairs, to censure it severely, declaring that France had no right to make such concessions, as they disposed of territory which France held only as a mandatary. Article 8 fixed a boundary line between Turkey and French Syria; Article 10 recorded the consent of the Angora Government to the concession of the Bagdad Railway between Bozanti and Nisibin and the branch lines in the Province of Adana.

The British Embassy in Paris issued an official statement on Nov. 11, objecting specifically to these clauses, and also to Article 1, implying France's recognition of the Angora Government as the sovereign power in Turkey, and to Article 6, embodying France's admission of the Turkish Nationalist demand for minority provisions differing widely from those contained in the Sèvres Treaty. The statement also declared that the covering letter addressed to M. Franklin-Bouillon by Yussuf Kemal Bey, the Nationalist Foreign Minister and negotiator for Mustapha Kemal, gave pledges of concessions that went far beyond the London Treaty. Even that treaty, the British note said, had been protested against by Lord Curzon. The British Foreign Secretary himself returned to the attack just prior to M. Briand's departure



Map showing the new boundary under the Franco-Turkish agreement, and the region thus restored to Turkey, as compared with the boundary fixed by the Treaty of Sèvres

from the Arms Conference, and took the treaty as a text for warning France against the danger of political isolation. In a speech delivered at a luncheon in London on Nov. 24, Lord Curzon declared that, so far as Germany was concerned, the adoption by France of "an isolated or individual policy" would neither injure Germany nor help France herself. Referring specifically to the position in the Near East and the conclusion of the Franco-Turkish Treaty, he said:

Much more important than the victory of either party is that there shall be no victory, but that there shall be peace. This will never be arrived at if any power tries to steal a march on others and to conclude independent reforms on its own account. Such plans take us to a blind alley and find us landed in a cul-de-sac unless all the great powers come together in perfect loyalty and bend their shoulders to the common task.

There was hope, he continued, that a new attempt to bring about peace in the Near East might be successful if the suspicion that prevailed among all the parties concerned could be destroyed. If they could be persuaded that there was room for both Greece and Turkey in the Near East, and if the Turks could be persuaded that, since they were beaten, there was every desire to give them scope for the resuscitation of their national life, this hope might be cherished. "But," he concluded, "our hope will materialize only if we go into this affair, as I hope we may, with a single policy, a single aim and a single plan."

Greece was even more displeased by the new treaty. M. Gounaris, the Greek Premier, made a special journey to Paris and London to prevent its ratification, but his efforts proved vain. One of the last official acts of Premier Briand before sailing for the United States was to ratify the pact. In the French Senate, in the course of the debate on foreign policy which preceded his departure, he took the view that the conclusion of such a treaty was necessary and that France had spared no efforts to keep her allies, including Great Britain, loyally informed of her intentions and actions in this regard. Premier Briand said:

As to our Eastern policy, matters were badly tangled. We might have been led very far from our traditions and have created terrible difficulties in our Moslem possessions. \* \* \* It was, therefore, essential to regard events from the French viewpoint. It was a duty of loyalty to remember that we had allies, to do nothing

calculated to break our word to them, and to prejudice the general interests of the alliance. This we tried to do. In London we attempted to deal with the whole question. It was not our fault if the attempt did not succeed. More recently, in Paris, on the initiative of Lord Curzon, who was also anxious to restore peace in the East, we renewed the attempt. Again it did not succeed. We informed our allies—and they fully understood our point of view—that after such great sacrifices we could not exhaust ourselves in a Cilician war against the Turks, that we were bound by the very terms of our mandate to evacuate those areas where we were only mandataries and where we were willing to remain only with a minimum of expense and without maintaining armies. We stated that we must fix the frontiers, evacuate our troops, and facilitate the immediate exchange of prisoners. Several attempts were made. The first time we came up against the intransigence of the Angora Assembly. Then, quite recently, through one of our fellow-countrymen [M. Franklin-Bouillon] who was willing to place himself at the disposal of the Government, which made use of the leisure the electors had left him, and who, I make a point of saying, has rendered great service to our country, the conversations were resumed. We found in Turkey warm sympathies for France, a lively desire to make good an error, which, moreover, was to a great extent forced upon the people, and to restore ancient traditions. The agreement has been signed. In the course of long discussions in which the representatives of Angora defended their national standpoint and their ideas of independence, concessions have been made and an agreement has been reached regarding a frontier, the conditions of evacuation and guarantees for the protection of the minority. We are no longer at war in the East, and all this has been accomplished in perfect accord with our allies. We have kept them informed, and they will receive the text of our agreements, which are in no way detrimental to their interests. Thus, French policy has taken shape in detail in the midst of real difficulties and yet our good relations with our allies are not disturbed.

#### TEXT OF THE TREATY

The official text of the treaty, as translated for CURRENT HISTORY from the Paris Temps of Nov. 21, is as follows:

**ARTICLE 1**—The high contracting parties declare that from the date of the signature of the present agreement the state of war will cease between them, and that the armies, the civil authorities and the inhabitants shall be so informed.

**ARTICLE 2**—From the date of the signature of the present agreement, the respective prisoners of war, as well as all French or Turkish nationals detained or imprisoned, shall be set at liberty, and shall be brought, at the expense of the power that holds them, to the nearest town designated to this effect. The scope of this article extends to all persons detained or imprisoned by either party, whatever may



be the date or the place of detention, imprisonment or capture.

**ARTICLE 3**—Within a maximum period of two months following the signature of this agreement, the Turkish troops will withdraw to the north, and the French troops to the south of the line laid down in Article 8.

**ARTICLE 4**—The respective withdrawal and taking over, within the time limit laid down by Article 3, shall be effected in accordance with provisions to be agreed upon by a mixed commission named by the military commanders of the two parties.

**ARTICLE 5**—Full amnesty shall be granted by the two contracting parties in the regions evacuated as soon as they shall have been taken over.

**ARTICLE 6**—The Government of the Grand National Assembly of Turkey declares that the minority rights solemnly recognized in the national treaty shall be confirmed by it on the same basis as that established by the agreements in this regard reached between the Entente powers, their adversaries and certain of their allies.

**ARTICLE 7**—A special administrative régime shall be established for the Alexandretta region. The Turkish inhabitants of this region shall enjoy every facility for the development of their cultural needs. Turkish shall be made the official language.

**ARTICLE 8**—The boundary line mentioned in Article 3 is fixed and specified as follows: The frontier line will start from a point to be chosen on the Gulf of Alexandretta, immediately to the south of the region of Bayas, and will be clearly oriented toward Meiden-Ekbes (the railway station and the region remaining to Syria). Thence it will turn southeast, leaving to Syria the region of Marsova, and to Turkey the region of Karnaba, and also the town of Killis; thence it will join the railway at the station of Tchoban Bey. From there it will follow the Bagdad Railway, whose roadbed shall remain on Turkish territory as far as Nisibin; thence it will follow the old road between Nisibin and Jasiréh-ikn-Omer, where it will rejoin the Tigris. The region of Nisibin and Jasiréh-ikn-Omer, as well as the road, will remain to Turkey; but both countries will have the right to use this road. The stations and branch stations of the section between Tchoban Bey and Nisibin shall belong to Turkey as a part of the railway line.

A commission composed of delegates from both parties shall be formed within one month from the signature of this agreement to fix the line laid down above. This commission shall begin to function within the same period.

**ARTICLE 9**—The tomb of Suleiman Shah, the grandfather of the Sultan Osman, founder of the Ottoman dynasty (the tomb is known under the name of Turq-Mezari), situated at Djaber-Kalessi, and its appurtenances shall remain in the possession of Turkey, whose right it shall be to establish attendants there and to fly over the tomb the Turkish flag.

**ARTICLE 10**—The Government of the Grand National Assembly of Turkey accepts the transfer of the concession of the section of the

Bagdad Railway between Bozanti and Nisibin, as well as of divers branches situated in the vilayet of Adana, to a French group designated by the French Government, with all rights, privileges and advantages attached to conces-



(© Underwood & Underwood)

**MUSTAPHA KEMAL PASHA**

*Leader of the Turkish Nationalists and head of Angora Government*

sions, particularly as concerns exploitation and traffic.

Turkey will have the right to send its military transports by railway from Meiden-Ekbes to Tchoban Bey, in the Syrian region, and Syria will have the right to send its military transports by railway from Tchoban Bey as far as Nisibin, in Turkish territory. Over this section and its branches no preferential tariff shall be established in principle. Each Government, however, reserves the right to study in concert with the other any exception to this rule which may become necessary. In case agreement proves impossible, each party will be free to act as he thinks best.

**ARTICLE 11**—A mixed commission shall be organized after the ratification of the present agreement; its object shall be to conclude a customs convention between Turkey and Syria. Both the conditions and the duration of this convention shall be determined by the commission. Both countries shall be free to act as they think best until this convention is concluded.

**ARTICLE 12**—The waters of Kouveik shall be divided between the town of Aleppo and the

northern region which has remained Turkish in such wise as to be equitable and satisfactory to the two parties. Aleppo shall also be authorized to construct works to draw water, at its own expense, from the Euphrates on Turkish

the time of the signing of the treaty. Certain passages in this letter also gave offense to the British Government:

ANGORA, Oct. 20, 1921.

**Excellency:**

I venture to hope that the agreement concluded between the Government and the Grand National Assembly of Turkey, on the one hand, and the French Republic on the other, with a view to bringing about a definite and enduring peace, will have the effect of renewing and consolidating the close relations which have existed in the past between the two nations, inasmuch as the Government of the French Republic is striving to settle in a spirit of cordial harmony all questions concerned with the independence and sovereignty of Turkey.

The Government and the Grand Assembly wishing, on the other hand, to favor the development of material interests between the two countries, empower me to assure you that they are disposed to grant the concession of the iron, chrome and silver mines located in the Harchite Valley, on a ninety-nine-year lease, to a French group, it being understood that this group shall, within five years from the signature of this agreement, begin the working of this concession through a company organized according to Turkish law, and that Turkish capital up to a total of 50 per cent. shall be allowed to participate in its funding.

Furthermore, the Turkish Government is ready to examine in the most favorable spirit all other desires that may be expressed by French groups relative to mine, railway, harbor and river concessions, on condition that such desires shall conform to the reciprocal interests of Turkey and France.

On its own part, Turkey wishes to profit by the collaboration of French technical instructors in her professional schools, and accordingly will later inform the French Government of its needs in this respect.

In conclusion, Turkey hopes that from the date of this agreement the French Government will authorize French capitalists to enter into economic and financial relations with the Government of the Grand National Assembly of Turkey.

YUSSUF KEMAL BEY.



(Photo Underwood & Underwood)

**HENRY FRANKLIN-BOUILLON**

*French Minister of Missions Abroad, who negotiated the pact with the Turkish Nationalist Government*

territory, in order to meet the needs of the region.

**ARTICLE 13**—Settlers or semi-nomads possessing rights of pasturage or owning land on either side of the line fixed by Article 8 will remain in possession of these rights. To meet their cultivation needs they shall be permitted freely, and without paying any customs or pasturage dues, to transport from one side of this line to the other their cattle, inclusive of birth increments, their instruments, tools, seeds and other agricultural products, it being clearly understood that they shall be bound to pay all taxes and duties relative thereto in the region where they are domiciled.

**TURKISH COVERING LETTER**

Below is the covering letter from Yussuf Kemal Bey, Turkish Minister for Foreign Affairs, to M. Franklin-Bouillon, sent at

M. Franklin-Bouillon appeared before the Foreign Affairs Committee of the French Chamber on Nov. 12 and explained the conditions under which this pact was negotiated. The French Government at that time took the position that the Angora agreement was not technically a treaty—which would have to be ratified by Parliament—but “an arrangement intended to put an end to a state of war on a common frontier.” M. Franklin-Bouillon told the Committee on Military Affairs on the same day that the safety of French interests in Syria still required an army of about 40,000.

# NEWS OF THE NATIONS

*Recent events and developments of importance in all the larger countries of the world and most of the smaller ones, arranged alphabetically, with cross-references to longer articles—A birdseye view of the world's political and social progress*

[PERIOD ENDED DEC. 12, 1921]

**A**FGHANISTAN—A treaty was signed at Kabul, Nov. 22, in which Great Britain recognizes the full independence of Afghanistan, and which, by the promise of the Afghan Government not to receive Russian diplomats, practically repudiates the Soviet-Afghan treaty signed last Winter. On Nov. 30 Fakhri Pasha of the Angora Government arrived at Kabul with the draft of a Turkish Afghan treaty.

## ARGENTINA

Representatives Mora and Araujo asked Congress for a law for the expropriation of the foreign packing houses, as a measure of protection in favor of the national meat interests, but the Argentine Rural Society sent in at the same time a report to the House of Representatives ascribing the critical condition of the meat industry to the world-wide depression following the artificial boom period of the war. \* \* \* The Government has decided on the acquisition of eight submarines of 800 tons; the contracts will in all likelihood be awarded to American firms. The preparation of the personnel has begun already in the Electrical Department at Puerto Militar (Bahia Blanca). \* \* \* The lawlessness in the Territory of Santa Cruz has been suppressed with a regiment of cavalry in the most dangerous zone. The uprising is believed to have been caused by the demoralization of the wool market. \* \* \* Immigrants are beginning to flow into Argentina in numbers not equaled since the period before the war. In one week of November there came through the Port of Buenos Aires 4,600 passengers from Europe, of which more than 3,500 were of the working class, mainly from Spain and Italy. \* \* \* Article 9 of the Budget for 1922, as passed in the Senate, carries an important provision declaring free of duty for three years the woolen cloth made in foreign countries with raw material imported from Argentina; such cloth must be made to the order of Argentine concerns, and these concerns, at the end of the three-year period, must have erected plants for the weaving of at least half a million pounds of wool a year. \* \* \* The Executive has sent out a circular to the Postmasters of the republic urging the utmost expedition and zeal in the distribution of the printed material for political propaganda which the several parties are sending out in view of the approaching general elections. The move is significant in the face of the bitter

political fight going on for and against the present Government. \* \* \* M. T. Meadows, Chairman of the American Chamber of Commerce at Buenos Aires, signs a manifesto in which he expresses as his opinion that the American interests so far established in Argentina are in jeopardy through the apathy and carelessness of industrial and financial interests in the United States. He charges that American enterprise is surrendering to a baseless pessimism, without taking into consideration the immense resources of Argentina, and especially the fact that that country at present ranks fifth in the amount of its gold reserve.

## ARMENIA

Conditions of hunger and disease prevail in Armenia, as in the other Caucasus republics. The Soviet grip continues strong, though the fighting Armenians—men like General Andranik and General Torcom—are still working abroad for deliverance from Turk and Russian alike. A letter addressed by General Torcom to the League of Nations declares that Armenia will never rest until her account with Turkey is settled. Prominent Armenians of all countries have denounced the new Armenian massacres in Cilicia, and grave fears are entertained of the consequences of the withdrawal of French troops in accordance with the terms of France's treaty with Angora. [See text of treaty, Page 660.] It is estimated that the Turks have slain 25,000 Armenians in Cilicia, since 1920. Near East Relief advices indicate that fully 50,000 Armenians at home are facing cold, starvation and disease this Winter. \* \* \* Meanwhile, by an agreement signed between the Nationalist Turkish Government at Angora, on the one hand, and the Soviet republics of Azerbaijan, Armenia, Georgia, and the Mountain Republic (Daghestan) at Kars, Armenia, on Oct. 13, a small autonomous State, to be known as the State of Nakhitchevan, was set up on Armenian territory under the protection of Azerbaijan. By this agreement about half of Caucasian Armenia was given to the Turks, as well as large tracts of territory in Georgia. The treaty abolished all existing Caucasian treaties except the Russo-Turkish agreement concluded at Moscow in 1920. Its preamble recognized the rights of peoples to self-determination.

## AUSTRALIA

Australia is about to extend her rule over the



New Hebrides, a chain of islands lying southwest of the Fijian and Samoan groups. Their joint administration by Great Britain and France under the agreement of 1906 has proved unsatisfactory, especially to the Australian Government, which was not represented at the Anglo-French conference on the subject or consulted in the negotiations. Among the original settlers were many freed or escaped convicts from Australia or New Caledonia. The Australian Parliament favors the purchase of the islands and offers £500,000 to be paid to Great Britain for them, the share belonging to France to be appropriated to the extinction of a portion of France's war debt to England. \* \* \* Mark Sheldon, Australian Commissioner in the United States, left New York on Dec. 3 on his return home via Vancouver, declaring as he bade farewell that the chief problem in his country was one of immigration. He pointed out that the Australian Continent, one-tenth larger than the United States, had a population only about as great as that of New York City, while Asia, on the north, had a population of 750,000,000 of different race and color. The Australians naturally desired to keep their country for themselves. Mr. Sheldon emphasized the need of selective immigration. \* \* \* Senator George F. Pearce, Australian Minister of Defense, who will temporarily fill Mr. Sheldon's place, discussing the administration of former German New Guinea, said that Asiatic immigration was prevented there, except for the occasional replacement of Japanese laborers already in the country. Shipping with Australia is treated as coastal. "Australia is the only continent peopled by one race," he added, "and must forever remain a white man's country." No Asiatic can now enter Australia, unless he is a student, merchant or traveler. There is no written law that discriminates against Asiatics, but there is an elastic educational test that may be stretched to exclude any, no matter how learned they may be.

### AUSTRIA

The occupation of Burgenland by Austrian officials and troops began on Nov. 13, in accordance with the Agreement of Venice, concluded with Hungary through Italian mediation. The Hungarian gendarmerie and irregular bands evacuated the area formerly disputed. The districts where, under the agreement, a plebiscite should decide the sovereignty remained under the administration of Entente representatives. \* \* \* Serious rioting took place in Vienna on Dec. 1, when thousands of unemployed attacked the Stock Exchange, a large number of shops and the fashionable hotels. Well-dressed people in the streets were ill-handled and robbed. The police were unable to cope with the emergency, and no resistance to the mob was attempted. Restaurants, stores and the lobbies of some of the leading hotels were plundered and utterly demolished. Several American and British visitors, among the latter Sir William Goode, British Reparation Commissioner, were attacked in their apartments and robbed of all valuables,

including most of their clothing. The damage done by the riots is estimated at \$700,000, mounting to billions in Austrian crowns. The rioting was ended the next day by the advent of the Winter's first blizzard. \* \* \* The American mission at Vienna has been transformed into a legation and Commissioner Frazier appointed Chargé d'Affaires. The United States Government has notified the Austrian Government of the acceptance of E. A. G. Prochnik as Austrian Chargé at Washington. \* \* \* A treaty of commerce between Austria and Soviet Russia was signed on Dec. 8. Consular service between the two countries was resumed.

### AZERBAIJAN

Azerbaijan, like the other Caucasus States, remains under Soviet control. In October patriotic forces were fighting to regain independence, while inside Baku the native organizations were passing resolutions condemning the severity of the Soviet rule. Azerbaijan, like the other Caucasus States, was suffering from famine and disease. Dr. Narimanov, President of the Baku Soviet, had antagonized the Moscow representatives by refusing to allow the Soviet to export the country's last food supplies to Russia to relieve the famine situation there. Concerts and other entertainments were organized in Baku, as well as at Tiflis, the capital of Georgia, the funds from which were applied to the relief of the famine situation. \* \* \* The Soviet officials of Azerbaijan decided at the end of October to restore to their former owners certain factories and other property. Mills, cotton manufactories, fisheries and naphtha mines were included in this restitution. \* \* \* It was announced on Nov. 13 that the Caucasus Commission at Constantinople, charged with the exchange of goods between Europe and the Caucasus, was to be continued under the leadership of M. Serebrovski, a Russian sent to replace the former Azerbaijan Minister, Prince Djevanchir, who had been assassinated. Although most of the Caucasus products came from Azerbaijan, no representatives of that country were included in this committee. \* \* \* The treaty between the Turkish Nationalists and Azerbaijan, signed Oct. 13, placed the newly created Armenian State of Nakhitchewan under the protection of Azerbaijan. [See Armenia.]

### BELGIUM

The Parliamentary elections were held on Nov. 20 and 28, under universal male suffrage, after a hard-fought campaign on the questions of language, national defense, and the reduction of the period of military service to six months. Returns for the Chamber of Deputies, elected directly, showed the new membership to be: Catholics 82, a gain of 9 over what they had in the Chamber recently dissolved; Liberals 33, a loss of 1; the Combatants 1, a loss of 1. The other parties were wiped out. Election to the Senate is partly direct, these candidates, 22

in all, being limited to ex-Ministers, ex-civil servants, secretaries of trade unions, and other categories specified in the Constitution of 1919. Some other Senators are elected by provincial councils, and the rest by co-optation in the Senate. To the new Senate were elected: Catholics 73, Socialists 52, and Liberals 28. In the old Senate, the Catholics had a majority of 13 over all. This time the Catholics were divided on the Flemish question. The twenty Senators chosen by co-optation in the Senate are from among the personages most eminent for intellectual, moral and economic services to the country. King Albert has requested M. de Jaspar, Foreign Minister in the Cabinet of M. Carton de Wiart, to form a new Cabinet, M. de Wiart having declined to continue as Premier.

### BOLIVIA

The Bolivian Government is negotiating with the Stifel-Nicolaus Investment Company of Saint Louis and associated bankers a loan of \$25,000,000, with a view to stabilizing foreign exchange and to consolidating both the internal and the external debt. An advantageous settlement of its present indebtedness is offered to the Bolivian Treasury, by which it can refund its 9 and 10 per cent. bonds in a single type of more moderate interest. It is announced in this connection that Bolivia will employ, as in the instance of Peru, an American financial adviser to take care that the taxes and custom duties attached to the service of the foreign debt shall be promptly and fully collected. \* \* \* The investigation ordered by the American Minister, Mr. Maginnis, has revealed that the death of the American citizen, Hart Mix, caused by a clash with the police in which two officers met death also, was due to the fact that the men entering Mr. Mix's house, searching for the hiding place of some robbers, were mistaken by him for bandits. The Government expressed its regrets to the American representative.

### BRAZIL

The improvement in the export and import trade registered during the last few months has been checked, and a period of depression in exports has taken place, with larger but unsteady purchases abroad. This increase in Brazilian imports is due directly to the falling off of goods in the warehouses and in the market, after so many months of restricted foreign business. \* \* \* The pronounced rapprochement between the Governments and peoples of Brazil and Paraguay is materializing in a series of conferences held lately by the Secretaries of State of both countries, in which practical measures, such as the speeding up of the construction of the railway from Santos to Asuncion, which will open to the Paraguayan capital a direct rail route to the Atlantic, have been readily agreed upon. Another measure recommended by the Brazilian Foreign Secretary, Dr. Azevedo-Marques, is the establishing of wireless communication between Rio de Janeiro and Asuncion of Paraguay. \* \* \* The State of

[American Cartoon]



—New York Evening Mail

THE ACT ISN'T GOING SO WELL

Rio Grande do Sul will invest the proceedings of the \$10,000,000 loan negotiated in the United States toward the improvement of public roads. Three contracts, totaling \$6,000,000, have been awarded by the Brazilian Government, one to an American company and the other two to English concerns, for irrigation works in the northeastern part of the country.

### CANADA

By the Liberal landslide which characterized the Canadian general elections of Dec. 6, William Lyon Mackenzie King of North York, Ontario, who was made the Liberal standard-bearer when Sir Wilfrid Laurier died, was designated to succeed the defeated Arthur Meighen as Prime Minister, and to command the votes of the largest party in the new Parliament. Premier Meighen was defeated even in his home constituency, Portage La Prairie, Manitoba, and his protection policy was repudiated. Defeated also were ten members of his Cabinet—F. B. McCurdy, Minister of Public Works; E. K. Spinney, Minister without portfolio; L. P. Normand, President of the Privy Council; C. C. Ballantyne, Minister of Marine and Fisheries; A. Fauteux, Solicitor General; L. G. Belley, Postmaster General; Rudolphe Monty, Secretary of State; Dr. Edwards, Minister of Immigration and Colonization; R. J. Manlon, Minister of Soldiers' Civil Re-establishment. Figures available on Nov. 13 gave the Liberal Party 117 seats in the new Parliament, the Progressives 65, the Conservatives 51 (the party of the outgoing anti-reciprocity Ministry), and the Labor Party 2. For the first time there was full woman suffrage. The first woman to hold a seat in the Canadian House of Commons is Miss Agnes McPhail, Progress-

sive, elected from the Southeast Grey District of Ontario. The election is considered a victory for tariff reform, looking toward reciprocity with the United States. The Liberal and Progressive platforms were agreed upon reciprocity in natural products with the United States, and upon free trade with Great Britain for five years.

### CANAL ZONE

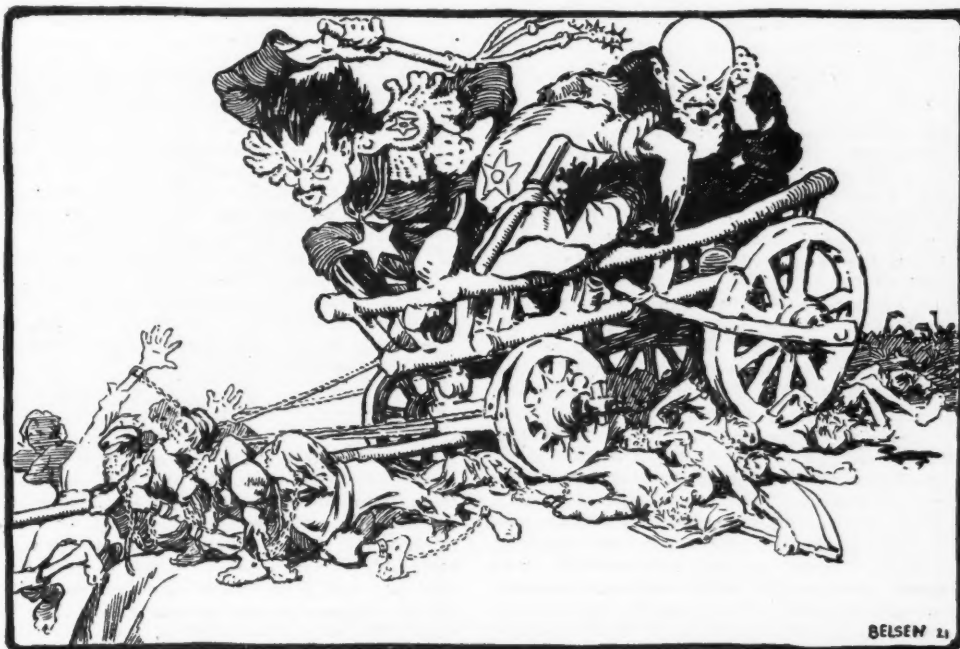
Late returns of the Panama Canal show the enormous increase of traffic, which has raised the question of enlarging the canal or building a second waterway through Nicaragua. The most important trade route, considering total cargo both ways, was that between the Atlantic coast of the United States and the west coast of South America, but the heaviest one-way shipments were those from the Atlantic to the Far East. Commerce of the United States with Australasia is at the bottom of the list, that between Australasia and Europe being double the amount. In the first nine months of the calendar year cargoes totaling 7,912,737 tons passed through the canal, or more than 200,000 tons in excess of the total for any single war year. \* \* \* A battleship of 80,000 tons, armored and armed to an extent never yet projected for any navy, could easily pass through the locks of the canal, according to a report issued by the Navy Department, thus showing that the size of the locks played no part in Secretary Hughes's proposal to the disarmament confer-

ence that capital ships in future be limited to 35,000 tons.

### CHILE

The Chilean Government has announced its intention of calling for September, 1922, the fifth Pan-American Conference, which would have been held at Santiago seven years ago had not the great war disturbed all international plans. \* \* \* The press and the public have commented freely on the visit made to Santiago by the Uruguayan Minister for Foreign Affairs, Dr. Buero, but no one seems in a position to say what really took place in the conferences between the Uruguayan Chancellor and the Chilean President and his Secretary of State. To a newspaper correspondent Dr. Buero declared that his visit to Santiago was made in the same spirit of Pan American co-operation which prompted similar personal calls on the part of the Brazilian and Argentinian Chancellors in former years. \* \* \* The Antofagasta-Bolivia Railroad is laying a double track in certain sections of its lines, which will be of great benefit for this important artery of international communication. In other sections a third rail is being laid down to make the line available for wide-gauged traffic. \* \* \* The great possibilities of the Chinese market, especially for the Chilean fertilizer, nitrate of soda, after the experiences of the last famine in Northern China, have resulted in the creation of a first-class Consulate in that country. \* \* \*

[German Cartoon—By a Russian Artist]



—Wahre Jakob, Stuttgart

### GREETINGS FROM RUSSIA

"German workers, do not let yourselves be harnessed to this car!"



There has arrived in Santiago the new Minister of Bolivia to Chile, the first appointment since the revolution that overthrew the Government of Dr. Gutierrez-Guerra. Dr. Macario Pinilla is one of the outstanding figures in Bolivian political life; on reaching Chile he expressed his confidence in the amicable settlement of disputed points. "Chile and Bolivia are mutual friends; they must be, they need to be," Dr. Pinilla said to an interviewer. \* \* \* Chile addressed a note to Peru on Dec. 12 proposing that the plebiscite provided for under the Treaty of Ancon—to determine the sovereignty of Tacna and Arica—be immediately held. It was reported on Dec. 14 that Peruvian troops had crossed the Chilean frontier.

### CUBA

President Zayas, in a special message to the Cuban Congress on Dec. 1, asked postponement of consideration of the Government program until the regular session next April. Revenues for the fiscal year 1922-23 are estimated at \$72,000,000 and expenditures at \$64,422,664. Estimates for the War and Navy Department were \$14,189,541, the largest item on the budget, with public instruction next at \$9,529,717. \* \* \* Employers on Dec. 5 inaugurated the open-shop principle in wharfage and lighterage operations at Havana, despite the threat of the stevedores' union to strike. \* \* \* The Cuban House of Representatives on Dec. 7 adopted a resolution declaring it would be "a friendly act if the United States would withdraw troops stationed in Cuban territory since the beginning of the war," and asking that negotiations be begun to effect the evacuation.

### CZECHOSLOVAKIA

The President of the republic ordered demobilization of the Czechoslovak Army on Nov. 10, as the emergency which had necessitated a war footing—the Hapsburg coup in Hungary—had passed. \* \* \* Following the conclusion of a commercial treaty, a political agreement between Czechoslovakia and Poland has been signed at Prague by Premier Benes, in behalf of the former, and Foreign Minister Skirmunt in behalf of the latter State. It was stated officially that the treaty is directed against no third country, but is merely a sanction of the friendly relations existing between the contracting parties. It was emphasized, however, that the agreement expresses the joint determination of the Czechoslovak and Polish Republics to resist Hapsburg restoration anywhere and under any circumstances. \* \* \* Discovery of a rich deposit of uranium ore, containing considerable radium, is reported in the mines at Jachymov, owned by the Czechoslovak Government. The supply of ore with radium contents is estimated to last twenty years. Rich seams of coal have been found at Velka Torona, in Slovakia. \* \* \* Paul Orszagh Hviezdoslav, the greatest contemporary Slovak poet, died at the age of 72 years.

### [American Cartoon]



—Central Press Association, Cleveland

IT'S A HARD CLIMB TO REACH THE PEAK,  
BUT THEY'RE MAKING PROGRESS

### DENMARK

Owing to the high-handed treatment given by Kerzentsseff to the Danish trade delegation that went to Stockholm in the middle of November, the negotiations for a Danish-Russian trade agreement failed. The Soviet claimed the right to appoint representatives in Denmark other than Russian subjects. This was taken to mean Danish Bolshevik leaders. The Soviet claim also for freedom to export Russian literature to Denmark smacked too much of a propaganda campaign to please Denmark. \* \* \* King Christian X. received for an hour's audience the new American Minister, Dr. John D. Prince, when the latter called with his credentials, Nov. 23, and presented him to Queen Alexandrine. \* \* \* Denmark's foreign trade statistics show a credit balance. Imports declined for the first six months of 1921, while exports held their own, marking a considerable improvement over the first half of 1920.

### ECUADOR

By parliamentary decree, sumptuous funeral ceremonies were held in Quito to honor the memory of General Eloy Alfaro, President of the republic, who was assassinated by a mob in January, 1910. Among the speakers at the burial in the metropolitan cemetery were President Dr. José Luis Tamayo and representatives of the House and the Senate. \* \* \* The National Merchants' Association, recently formed, aims to create a single body of business men throughout the republic, with the purpose of protecting its associates in foreign trade, to

improve and modernize commercial legislation and to create in Guayaquil an information office for the service of persons or firms abroad interested in entering the Ecuadorian market. \* \* \* A syndicate to take charge of the collection of taxes on brandy, salt, tobacco and other articles has been formed by private capitalists with the help of a limited company offering shares to the public. The initial capital is 3,000,000 pesos, of which 2,000,000 will be advanced to the State Treasury.

### ENGLAND

The most engrossing developments of the month—the settlement of the Irish question and the progress of the disarmament conference at Washington—are treated at length elsewhere in these pages. \* \* \* During a temporary absence of Mr. Lloyd George on Nov. 10, a labor deputation consisting of thirty Mayors, Alder-

men and Councillors of London boroughs made a bold though fruitless effort to interview him on the subject of relief for the unemployed, by forcing their way into his official residence at 10 Downing Street. In the same connection the revised registers of Employment Exchanges in the United Kingdom showed that on Nov. 4 there were approximately 1,722,800 persons wholly unemployed, as compared with 1,611,476 during the previous week. \* \* \* An authority of forty years' standing on estate management declares that the recent turnover in the ownership of land in England has made its influence felt on glebe, or church land, especially in partly disposing of the vexed question of "ecclesiastical dilapidations." He estimates that from the first general return of glebes in the possession of parochial incumbents in 1887, when 9,500 livings reported 659,000 acres, some 326,300 have been sold, thus producing an income of £500,000 to the incumbents from first-class securities instead of land. The passage of ecclesiastical landed property into other hands is further marked by the announcement of the sale of 50,000 acres, of which by far the greater part has been purchased by the tenants.

[German Cartoon]



—Simplicissimus, Munich

### BAVARIAN SEPARATISM

"Let him try! He will never get up there! The pole is too well greased!"

### FINLAND

The relations between Finland and Soviet Russia, which have been tense for some time, reached a crisis in the last month, owing to the uprising of the Finnish population of Eastern Karelia, a province that was confirmed to Russia's possession and administration by the Finno-Russian Treaty, signed several months ago. The Finns denied all complicity with the new Government set up by the Karelians. [See Russia.] (The economic conference between all the Baltic States and Soviet Russia, held at Riga, is treated in the article on Latvia.)

### FRANCE

Premier Briand, on his return to France from the Washington conference, received votes of confidence from both the Senate and the Chamber of Deputies on Dec. 6. In both houses he found a number of interpellations awaiting him on the results of the conference, so far as they affected France. The interpellations in the House were put off because of the continuance of the budget debate. Only a small group in the Senate insisted on a public statement. In replying, the Premier pointed out that as the Washington conference had not yet ended, it was inadvisable to speak freely at that time. He had told the conference and the American people of the danger in which France still stood, and to the full extent of his power he had denounced the pernicious propaganda which was being carried on against France. M. Briand also referred to Germany's reparation payments, regarding which he showed optimism. France, he said, was in a solid position; the sums fixed upon by the Reparation Commission must be paid, and the German Government had been notified to put its finances in such order that they would be paid. He ended with an elo-

quent plea for the continuance of the Entente. The effect of his speech was seen in the subsequent votes of confidence passed by both houses, the Senate approving his policy by 249 votes against 12, the Chamber by 460 against 100. In each case the vote was conditioned on the acceptance by the Premier of a subsequent wide debate on foreign policy, following the conclusion of the 1922 budget discussions and the adoption of the resolutions of the Washington conference. \* \* \* By a large majority vote the Chamber favored the calling up of the 1922 class of the army in May and November. It was explained that this would introduce the new system of eighteen months' service by 1923. The Chamber of Deputies adopted unanimously on Dec. 9 the measure providing for the building of three light cruisers, six destroyers, twelve torpedo boats and twelve submarines, during the period from 1922 to 1925, the total expense being estimated at 755,000,000 francs.

### GEORGIA

The situation in Georgia, occupied by the Bolsheviks several months ago, is depicted as distressing by the exiled leaders of the dispossessed Government. The various appeals to the outside world emanating from Benjamin Tchikbicharli, former Mayor of Tiflis, from M. Noé Jordania, the former President, and from M. Tcheldze, President of the former Constituent Assembly, paint a sombre picture of famine, disease and oppression, of the stripping of the country by the Russian invaders, of wholesale imprisonments and executions. Their statements were confirmed by the story told by M. Louis Vernerey, a former member of the French Commercial Bureau in Russia, on his return to Paris in November. Executions by scores and hundreds were described by M. Vernerey, who escaped after three months' imprisonment. Many Georgians had fled before the Bolshevik invasion, he said. The sentiment of the remaining population was intensely hostile to the Soviet régime. He also stressed the wholesale requisitions of grain by the Bolsheviks, and the resulting distress among the people, already decimated by famine. \* \* \* A dispatch from Constantinople to the Paris Temps, dated Nov. 18, described in detail the arrest by the Extraordinary Commission of a delegation of workmen which went to present a protest to the President of the Russian Revolutionary Committee, M. Mdivani, against the aggravation of the economic situation and the increased severity of the Soviet rule. They were imprisoned in the fortress of Metheki. The news of their arrest created a storm of resentment. All the workmen of Tiflis went out on strike and all public utilities were suspended. The students of Tiflis University joined the movement, to repress which the Bolshevik authorities made fully 2,000 arrests. The Russian press advocated that all those arrested and all persons convicted of opposing the Soviet rule be deported to Soviet Russia.

### GERMANY

The final steps for the resumption of diplomatic relations with Germany were taken on Nov. 21, when the shields of the United States Consular offices were set up outside the buildings at Berlin, Munich, Hamburg, Frankfurt, Dresden, Leipzig, Stuttgart, Bremen, Coblenz, Cologne, Stettin, Breslau, Königsberg. Ellis Loring Dresel became Chargé d'Affaires at Berlin, Arthur Hugh Frazier at Vienna. The following are the United States Consuls at the more important points: William Coffin, Berlin; William Dawson, Munich; Hernando de Soto, Leipzig; John E. Kahl, Breslau; Louis G. Dreyfus, Dresden; Francis R. Stewart, Bremen; E. C. A. Reed, Stettin; J. K. Suddle, Hamburg. \* \* \* Baron Edmund von Thermann, the son of a judge in Saxony, arrived at Washington on Nov. 21 to open the German Embassy, where he will become counselor after the Ambassador is named. He is 37 years of age.

During November and December, Hugo Stinnes, the leading financier and industrialist of Germany, and Dr. Walter Rathenau, former Minister of Reconstruction in the German Cabinet, were in consultation at London with the British member of the Reparation Commission and other British authorities, to discuss some new adjustment for Germany's reparation payments. Later, Louis Loucheur, the French Minister of Reconstruction, discussed the question with the Chancellor of the British Exchequer. As a result, it was announced that a meeting would be held between Premier Lloyd George and Premier

[American Cartoon]



—Rochester Democrat and Chronicle  
YOU KNOW THAT FEELING



[German-Swiss Cartoon]



—Nebelspalter, Zurich

**FALLING EXCHANGE VALUE**

"Only they who have fallen themselves can realize what I now suffer"

Briand with a view to arriving at a definite decision with regard to the payments. These negotiations caused wide fluctuations in the value of the German paper mark, which at one time fell as low as 300 marks to the dollar, but rose, within a few days after the conferences, to 160 to the dollar, and was fluctuating around that figure at the time these pages went to press.

The Berlin correspondent of The New York Times cabled on Dec. 11 that after visiting every part of Germany and studying all the information derived from official investigations, he could report that Germany's disarmament, under the military terms of the Versailles Treaty, was 97 per cent. complete as regards artillery, and 93 per cent. complete as regards machine guns and rifles. Factories known to have been engaged in manufacturing war materials were industrially disarmed at that date to a degree of 90 per cent. Dr. Wirth, the German Chancellor, in a public statement made Dec. 10, categorically denied the charges made in France that Germany had not disarmed. He stated that all free corps in Germany were dissolved, that all large armament was destroyed or surrendered, and that for Germany to dream of attacking any one would now be insane folly.

The Federal Council passed a measure raising all postal telegraph and telephone rates 2,000

per cent. above pre-war rates. Railroad rates, freight and passenger rates also will be raised 2,000 per cent. to 3,000 per cent. above pre-war charges. The National Economic Council approved a bill enabling the Government to impose compulsory credit on all Germany's trades and industries for the purpose of enabling the Government to use the so-called compulsory credit association as a collateral against foreign loans.

**GUATEMALA**

A revolution in Guatemala, which threatens to break up the Central American Union recently formed by Guatemala, Honduras and Salvador, overthrew the Government of President Carlos Herrera in an early morning battle on Dec. 5. Twenty-five persons were killed, scores wounded, President Herrera and his Cabinet taken prisoners, and a provisional Government was proclaimed, with General Orellana as President. [Further details on page 615.]

**HAITI**

A special committee appointed by the United States Senate to investigate conditions in Haiti left Philadelphia on Nov. 24 for Port au Prince. Witnesses had previously been examined in Washington, among them General Eli K. Cole, who testified that under American occupation the Haitians enjoyed a peace and security never known before. In a given period of ten days there were fewer murders in Haiti than in the American State of Georgia, and it had never been necessary to detail marines to guard the mails. Martial law, General Cole said, would be necessary as long as American troops remained; the judiciary system was venal, and no white man could receive justice from the native courts. On the other hand, Max Zuckerman of Boston said that third-degree practices were inflicted on native prisoners, who were pelted with sandbags and lifted until their toes only touched the ground in order to wring from them information concerning bandits. P. M. Pilkington of New York, a technical expert, who spent two years in Haiti, described the torturing and eating of Private Lawrence and the killing and mutilation of Lieutenant Muth by bandits. The natives, he said, were in the main docile and amenable, and the higher classes were competent to conduct an independent Government. They objected to foreigners, fearing that the strangers would take control of the Government. Lack of security for foreign capital and failure of the United States to make the treaty effective were criticised by Mr. Pilkington.

**HUNGARY**

The crisis following the frustrated attempt of Charles Hapsburg to regain the Hungarian throne precipitated the resignation of Premier Count Bethlen and his Cabinet. However, pending the appointment of a new Ministry, the Bethlen Cabinet remained in office. After several weeks of uncertainty Count Bethlen obtained from the leaders of the National Assembly a

pledge of their support. This enabled him to remain at the helm. \* \* \* Ex-King Charles and ex-Queen Zita arrived at their place of exile, Funchal, Madeira, on Nov. 19, on board the British cruiser Cardiff, accompanied by the Count and Countess Hunyadi. \* \* \* At Budapest the idea prevailed that as the exile was enforced by Britain, the British Government should cover its costs. In consequence of the British refusal, the Hungarian Government has approached Austria and the three succession States with a request to contribute to the expenses, which amount to about \$50,000. \* \* \* The Swiss Federal Government has granted permission to ex-Queen Zita to go to Switzerland for a limited period and attend the operation on her son Robert for appendicitis. \* \* \* Thousands of posters and handbills demanding the election of Regent Horthy as King of Hungary have been distributed at Budapest by officers belonging to the military league known as the Move. \* \* \* The National Assembly ratified the separate peace treaty between the United States and Hungary on Dec. 12.

### ICELAND

Olafur Fridriksson, editor of the Bolshevik newspaper, Althydubladid, in Reykjavik, returned from Russia, Nov. 18, with a fourteen-year-old Russian boy. The authorities refused to admit the boy because his eyes were inflamed with trachoma, a contagious disease not found in Iceland before. Fridriksson ensconced himself with the boy and fifty followers in a house and defeated the Reykjavik police in a hand-to-hand fight. Minister of Justice Jon Magnusson canceled a trip to Denmark to confer with the King, and called a Cabinet meeting on this case. Bolshevism is reported not strong outside of Reykjavik. Fridriksson had made much trouble in Denmark, where he was a prominent Bolshevik leader.

### INDIA

The outstanding feature of the month in India was the visit of the Prince of Wales to the far-flung Asiatic empire of his royal father. The Prince's arrival at Bombay on Friday, Nov. 17, was marked by impressive ceremonies of welcome, on the one hand, and by serious riotings in the native quarter, due to the incitement of Mahatma Gandhi, leader of the "non-co-operationists," on the other. The Prince, dressed in naval uniform, landed at the still unfinished gate of India on the Apollo Bunder. He was received by the highest officials of the Bombay municipality, and replied felicitously to the memorandum of welcome which was presented to him. He then read a message from his royal father, addressed to the princes and people of India. A great procession was subsequently formed, with which the Prince proceeded through five miles of brilliantly decorated streets to Government House on Malabar Point. The large and cheering crowds, made up of every caste and color, gave no hint of what was going on behind the scenes, namely, in the native

quarter. Gandhi had arrived in Bombay that day and had declared a "hartal," or strike, and had harangued the people. Though no disturbance marred the procession, serious rioting began in that quarter as the procession was passing on its way, and these riotings continued that day and the next. It was later estimated that fully 20,000 natives participated in the disorders. Tramways were stoned and burned, the police were assaulted, police posts attacked, constables killed, liquor shops looted and burned, British and Parsee men and women, returning from welcoming the Prince, were insulted and assaulted. Bitter fights were precipitated between the rioters and the military police, and also with the Anglo-Indian and Parsee elements. A number of lives were lost. On hearing the news Gandhi covered his face with his hands, and wept, admitting his inability to control the masses stirred up to resistance by his words, and declaring that his agony during the days just past had been indescribable. The Prince left Bombay for Poona on Nov. 20. On Nov. 23 he received a magnificent welcome from the Gaekwar of Barada. His full itinerary included many cities of India. \* \* \* The trial of the two Ali brothers, Gandhi's chief lieutenants, was concluded on Nov. 2. They were acquitted of treason, but received a sentence of two years' imprisonment for speeches inciting "public mischief." Other non-co-operationists were arrested and the non-co-operationist organization was outlawed, but Gandhi himself was not interfered with.

[American Cartoon]



—Rochester Democrat and Chronicle

A. D. 2,000

\* \* \* The Moplah war in the Malabar district (Southeast India) was still going on in December. \* \* \* The long-hoped-for treaty with Afghanistan was signed on Nov. 22. Its two main features were the exclusion of Bolshevik Consulates from the Afghan frontier and the omission of any mention of the subsidy which the Indian Government has paid the Afghans in the past. The clause excluding Bolshevik Consulates is a violation of the treaty already signed by the Amir with Soviet Russia.

### IRELAND

A test of the British Government's Irish policy, as challenged by the opposition "die-hards," was made at the annual conference of the Unionist Party at Liverpool on Nov. 17, when a supporting amendment to a motion of want of confidence was carried by the overwhelming majority of 1,900 to 70. The triangular peace negotiations carried on in London between the British and Sinn Fein delegates and Premier Lloyd George and Ulster Premier Sir James Craig resulted in a memorable advance toward peace. Ulster, it is true, rejected all terms that were offered, but the Sinn Fein representatives came to a satisfactory agreement. Early in the morning a treaty was signed by which Southern Ireland was declared to be a Free State within the British Empire, on a Dominion basis. The treaty, which left Ulster outside its provisions to choose her own path, was subsequently denounced by Eamon de Valera as being "in violent conflict with the wishes of a majority of the Irish people." His action caused a breach among the Sinn Fein leaders. \* \* \* Belfast was again the scene of riotous factional disorder, Nov. 20-26, during which period twenty-seven persons were killed and ninety-two wounded. The first important vote in the Ulster Lower House of Parliament took place on Dec. 1, when the Government accepted a majority vote of 20 to 11 on fixing ministerial salaries. [See article on Irish Free State.]

### ITALY

The printers' strike in Rome ended on Nov. 14, after four days of more or less terrorism, in which six persons were killed and over 100 wounded. Regarding the various conflicts between the Communists and Fascisti the *Messaggero* sums up public opinion in these words: "A plague on both your houses." \* \* \* The impending Russo-Italian treaty received a setback in its hitherto most favorable quarters when, on Nov. 15, the Executive Commission of the Moscow Third International denounced the recent Socialist Congress at Milan because it had failed to proscribe Turati and Serrati. \* \* \* The Chamber opened on Nov. 24 with every appearance of a strengthened Bonomi Government. On the same day news came from Angora of a successful treaty concluded by Signor Tuoizzi with the Government of Mustapha Kemal Pasha similar to the treaty negotiated with Dekir Samy Bey at London last

Spring, but unratified at Angora. \* \* \* On Nov. 25, the centenary of Manzoni's "I Promessi Sposi" was observed at Lugano. \* \* \* Demonstrations were made before the French Embassy at Rome and the French consulates at Turin, Naples and other places (Nov. 25-28) on the receipt of news from the Washington Conference that Premier Briand had insulted the Italian Army—an insult to which Signor Schanzer, head of the Italian delegation, had failed to reply. The incident was denied by competent authority at Washington. The source of the story was a dispatch sent by Pertinax, correspondent at Washington of the *Echo de Paris*, to The Daily Telegraph of London, saying that in the private sitting of the Land Disarmament Committee, on Nov. 24, M. Briand had said: "As to the great army reduction of which you [Signor Schanzer] boast, is it not a fact that it was not brought about by law, but carried out as a result of the moral disintegration of the army? Do not make a merit of necessity."

### JAPAN

By an imperial rescript issued on Nov. 24, Crown Prince Hirohito was designated Regent of Japan to take the place of his father, Emperor Yoshihito, incapacitated by long-continued illness. The rescript read thus: "We are unable to attend in person to the affairs of State, on account of protracted illness, and accordingly appoint Crown Prince Hirohito Regent with the approval of the Council of Princes, the imperial family and the Privy Councillors." Simultaneously a bulletin was issued attributing the Emperor's mental state to an affliction of his infancy. The Crown Prince, who now assumes the ruling power of Japan, is only 20 years of age. Born in April, 1901, he was proclaimed heir apparent in 1912, when his father acceded to the throne, and he was formally consecrated Crown Prince in 1916. In May, 1920, the illness of the Emperor had already become so grave that he relinquished some of his functions to the Crown Prince, who received foreign diplomats at important State functions. In the Spring of 1921 the Emperor broke an ancient Japanese tradition by sending the Crown Prince on a visit to Europe. On his return to Tokio, after seven months' absence, Hirohito was welcomed with enthusiastic popular acclaim—this being as much of a break in Japanese tradition as the Prince's tour of Europe. He issued a message to the nation, in which he told of the hospitality and honor shown him by Europe, and expressed his belief that his trip would be helpful to Japan. \* \* \* Though the Japanese Government, now headed by Premier Takahashi, maintained silence regarding the negotiations at the Washington conference, both the Japanese press and prominent business men were discussing throughout November and December the announced slash of naval armaments as an accomplished fact, though two new warships were launched—the *Kaga* on Nov. 18 and the destroyer *Hachisu* on Dec. 9. \* \* \* Premier Takahashi on Nov. 8 reported a deficit of 30,000,000 yen for the present fiscal year.



## JUGOSLAVIA

After trying in vain for a month to reorganize his Cabinet, Premier Pashitch acknowledged his failure on Dec. 9, and King Alexander designated former Premier Davidovitch, leader of the Democratic Party, to assume the task.

## LATVIA

The economic conference between Finland, Esthonia, Latvia and Lithuania on the one hand, and the Soviet Government on the other, ended its long session at Riga, the capital of Latvia, in the first week of November. The basis for future agreements on transportation between these Baltic States and Russia was laid. It was also decided to establish at Riga a permanent economic bureau in which all the countries mentioned would be represented, whose duty it should be to study the financial problems which confront them all.

## LITHUANIA

The long-protracted and bitter dispute between Lithuania and Poland over the Vilna territory was settled at last by the vote of the Polish Diet accepting the plan proposed by President Pilsudski on Nov. 16. The negotiations between the Lithuanian and Polish representatives at Brussels under the auspices of the League of Nations had failed anew, mainly because the Lithuanians insisted that any agreement must be preceded by the resignation of General Zeligowski, the irregular Polish commander, who many months ago seized Vilna and held it for Polish possession. The Polish President took up the matter personally, and elaborated a plan including the establishment of a Central Lithuanian State, the resignation of Zeligowski and the holding of elections in the disputed area. On encountering opposition by the "Annexationists" in the Diet, M. Pilsudski insisted that his resignation as Chief of State be accepted, and though he was persuaded to withdraw his resignation his uncompromising attitude did much to influence the favorable decision in the Diet, reached, it is true, only after an acrimonious and hostile debate. The Pilsudski plan in its broad lines follows the project favored by M. Paul Hymans, the representative of the League of Nations, whose proposals had been rejected at Brussels. The hostility of the Lithuanians to the League plan was evidenced by the attempt to assassinate the Lithuanian Premier, M. Galvanauskas, on Nov. 25. General Zeligowski withdrew from Vilna at the end of November, turning over the administration of the district to his provisional successor, Alexander Meysztowicz, a native of Vilna, a man of moderate views and of great local influence. Before leaving Vilna, General Zeligowski delivered a farewell address, in which he pointed out the great benefits of his rule. M. Meysztowicz in replying declared that the forthcoming elections would give the fullest expression to the national aspirations. The date set for the elections was Dec. 11. According to the census of 1919 the whole Vilna population numbered 732,000.

## MESOPOTAMIA

On Nov. 18 the Council of the League of Nations, sitting in Paris, was formally notified of the conclusion of a treaty between the new monarchy of King Feisal [Iraq or Mesopotamia] and the British Empire. "Great Britain," said the document, "had been unable to resist the persistent solicitations on the part of the subjects of King Feisal for such a treaty."

## MEXICO

General Obregon's first year as President of Mexico ended on Nov. 30 with rehabilitation in full swing. Peace reigns throughout the republic; public instruction is taking first place in the Government program under the new post of Secretary of Education; the railroads have been reorganized, port congestion is relieved and hundreds of thousands of acres of land have been expropriated from the large haciendas and given to the peasants. The army is being reduced to 50,000 men, and the soldiers are given opportunity to settle on reclaimed lands. President Obregon plans the construction of cheap homes for Mexico City workmen, to be sold on easy payments, and has enlisted the aid of General Goethals in the undertaking. \* \* \* General Francisco R. Serrano was sworn in on Dec. 10 as Secretary of War, succeeding Enrique Estrada, who took the Agriculture portfolio, following the resignation of Antonio Villareal. \* \* \* Spain, Holland, France, Great Britain and Italy, according to a dispatch from Mexico City, have accepted Mexico's invitation to appoint members of a mixed claims commission to assess damages to foreigners during the revolution. \* \* \* The novel suggestion has been made to American oil men that they pay their taxes, now amounting to some 22,000,000 pesos, in Mexican Government bonds bought in New York, thus settling the tax question and reducing Mexico's debt at the same time. \* \* \* A tax of 4 per cent. levied on one month's income to meet expenses incident to the Centennial celebration was very successful, yielding more than \$1,500,000, which covered the cost of the affair. \* \* \* An event that shocked the religious sentiment of most Mexicans was the wrecking by a bomb on Nov. 14 of the famous shrine of the Virgin of Guadalupe, Mexico's patron saint, which was the most richly adorned shrine in Mexico, if not in the world, being covered with pearls, diamonds and all kinds of jewels. The greater part of the altar was overthrown. A vast "pilgrimage of atonement" from Mexico City took place on Nov. 19.

## NEW ZEALAND

Administration of former German Samoa by New Zealand is under consideration at Washington, owing to the new law passed by the nominated legislative council set up there, which provides for an additional tariff on foreign imports over and above those from New Zealand itself. The treaty of 1899 dividing the Samoan group between Germany, the United States and

Great Britain barred preferential treatment in the islands for commerce and shipment of each of the three powers. As one-third of the imports into mandated Samoa in 1919 was of American origin, the result has led to protests against New Zealand's action.

### NICARAGUA

Sporadic outbreaks on the Honduran frontier of Nicaragua continued during November, the most important of which was an attack by revolutionaries on the town of Samotillo on the morning of Nov. 11, which was repulsed after an hour of hard fighting. \* \* \* On Dec. 5 the Nicaraguan Government received a large consignment of arms and ammunition from the United States, bought to replace the very antiquated military equipment Nicaragua possessed. \* \* \* A serious clash between American marines and civilians in Managua, similar to that of some months ago, occurred on Dec. 10. In breaking up the fight four policemen were killed and one wounded and two of the marines were wounded.

### NORWAY

Norway's refusal to recognize the extension of Denmark's sovereignty to the whole of Greenland is causing considerable tension, because the shutting out of Norway's traditional hunting rights there would entail a loss of millions a year in whale, seal, walrus, polar bear, musk-oxen, bottlenose whale and white and blue foxes. \* \* \* The Nobel Peace Prize for 1921 was awarded to Premier Hjalmar Branting of Sweden and Christian L. Lange of Norway, Secretary of the Interparliamentary Union, at a representative assembly in Christiania on Dec. 10 in the presence of the Norwegian King and Cabinet. Premier Branting was not present, being represented by the Swedish Minister to Norway. The prize was presented by Councilor of State Loveland. \* \* \* Great indignation was created in Norwegian labor circles by a demand from the executive of the Third International for the expulsion of seventy Norwegian trade union leaders, who, at the last labor congress in Christiania, voted against adherence to the Red International or for postponement of a decision. A Norwegian trade union delegation went to Moscow to try to settle the conflict. \* \* \* The matriculation of Crown Prince Olaf as a student at the University of Christiania was made the occasion of an impressive ceremony in which the King and several Cabinet officers participated. \* \* \* Dr. Fridtjof Nansen, head of the International Commission for Relief in Russia, was received by the Pope in November and thanked the Pontiff for his gift of 500,000 lire for use in the famine districts. Dr. Nansen explained its intended use in a plan to relieve the Russian children. \* \* \* The Norsk Hydro-Elektrisk Kvaestofaktieselskab recently made the first offer from a foreign industrial corporation in the American market since the armistice, except French railroad securities. This Norwegian firm for manufacturing nitrates

by hydro-electricity offered an issue of 50,000,000 kroner fifty-year first mortgage 7 per cent. bonds. Organized in 1905, the company operates the largest hydro-electric plant in Norway under permanent Government grants.

### PANAMA

A boycott has been instituted in Panama against West Indian labor and the unemployed are flocking back to the cities of Panama and Colon, where soup kitchens have been set up. The Panama Federation of Labor on Nov. 18 appointed a committee to negotiate with Great Britain for the return home of the islanders.

### PERU

Congress has passed a bill authorizing the Executive to contract a foreign loan of £700,000, giving as guarantee the oil export tax. \* \* \* An English company has secured a concession for the construction of 1,500 miles of railroad, for which the necessary capital is being raised in London and other European places. \* \* \* The merchandise left in customs warehouses is at present less than in former months. The pending collections are about \$5,000,000, but most of this sum is represented by goods already in the hands of the consignees.

### POLAND

Diplomatic relations between Poland and Soviet Russia continue to be marked by respective charges and countercharges of support of hostile propaganda. The Warsaw Government on Nov. 2, in reply to a Soviet note received at the end of October, denied emphatically all complicity in the recent Ukrainian uprisings of which the Soviet complained, and charged that the Soviet was supporting armed invasions of the Polish frontier. \* \* \* Poland on Nov. 8 sent a new note to Moscow, demanding that the terms of the Riga treaty be finally carried out. \* \* \* Drastic anti-Communist legislation passed its first reading by the Sejm (Parliament) on Nov. 27. Every attempt against the Government under this new bill is to be punished by death; every preparation for such attempts by imprisonment for twenty years. \* \* \* The Vilna controversy was finally settled on Nov. 16, when the Assembly adopted Premier Pilsudski's plan providing for the resignation of General Zeligowski and the incorporation of Vilna into a Middle Lithuanian State. Early in November M. Pilsudski handed in his resignation owing to opposition to this measure among the annexationist advocates in the Diet, and withdrew it only after earnest persuasions. [See Lithuania.] \* \* \* Mr. Plucinski, the Polish diplomatic representative at Danzig, stated on Nov. 4 that the agreement signed Oct. 25 between Poland and the Free City of Danzig was being harmoniously and successfully applied. Goods between Poland and Danzig were circulating freely back and forth under a common customs régime. \* \* \* It was announced from Katowice, Upper Silesia, on

Nov. 11, that local German papers were printing appeals to the German residents urging them to remain in the districts assigned to Poland by the League of Nations, supporting these appeals by quotations from the Polish Constitution guaranteeing the rights of minorities. The city officials had decided to retain their positions. The German Judges and judicial officials of Polish districts had been asked by the Polish Minister of Justice to apply to be retained in Polish service. \* \* \* A treaty between Poland and Czechoslovakia was signed at Prague, Czechoslovakia, on Nov. 7. Each of the two nations guaranteed benevolent neutrality in case the other was attacked; Poland promised to refrain from interference in the case of Slovakia, and Czechoslovakia made a similar pledge in the case of Galicia, now administered by Poland.

### PORTO RICO

Representatives of the Unionist Party, headed by the President of the Senate, Mr. Antonio R. Barcelo, arrived in Washington on Dec. 1 to demand the removal of the Governor of Porto Rico, E. Mont Reilly. Mr. Reilly had already reached Washington to consult President Harding and Secretary Weeks. [See details on Page 615.] Both Mr. Harding and Mr. Weeks were reported to be averse to considering the charges against Governor Reilly unless they were submitted in official form by the Porto Rican Legislature.

### PORTUGAL

Ex-Emperor Charles of Hapsburg and his consort arrived at Funchal, Madeira, Nov. 19, on board the British cruiser Cardiff. They took up their residence at the Villa Victoria, an annex of Reid's Palace Hotel, on the cliff to the west of the town, and the next day attended mass at the Cathedral. The British Government having declined to pay any part of the Hapsburg's expenses at Madeira, the Council of Ambassadors has set his budget at \$50,000 and is trying to get the other allied and associated nations to pledge that amount.

### RUMANIA

On Dec. 10, with a view to consolidating the Rumanian national debt, the holders of all bonds, all over the world, were requested to send in full information as to their holdings within thirty days from that date.

### RUSSIA

Soviet Russia celebrated the fourth year of its existence with appropriate ceremonies on Nov. 7, 1921. \* \* \* The Government continued its energetic campaign for staff and budget economy. Ration cards were abolished generally from Nov. 10. The Finance Committee adopted in November the pre-war gold ruble as the standard for future budgets and a system was devised to adjust this standard with the paper

ruble in an attempt to equalize Government salaries. \* \* \* The new State Bank was opened in Moscow on Nov. 18. Exactly four years before (Nov. 18, 1918), the Bolsheviks had nationalized all Russian banks. The payment of interest on accounts, and the decision to make loans to corporations and individuals, marked a forward step to the new system of limited capitalism. \* \* \* The Soviet Government was confronted through November and the first weeks of December with an Ukrainian uprising. Pitched battles were fought near Kiev. \* \* \* Another uprising broke out at the beginning of November in Eastern Karelia, a region mainly populated by Finns, which was left under Russian administration by the terms of the Finno-Russian treaty. The Karelians set up and maintained through November an independent Government. A sharp note was sent by M. Tchitcherin to Finland on Dec. 5, demanding that the Finnish Government expel all Karelian plotters from its territory. \* \* \* Foreign relations continued to be unsatisfactory. Lord Curzon on Nov. 15 replied to the Soviet note of Sept. 26 with a categorical denial that the British charges of anti-British propaganda in Persia, Afghanistan and Central Asia were based on forgeries, as Tchitcherin had declared. \* \* \* The Soviet Government's offer (Oct. 20) to recognize the former Russian debt under certain conditions made little headway. France on Nov. 9 sent a note to the British Government repeating her firm refusal to have any dealings with the Moscow Government until it ceased its attempts at foreign propaganda. \* \* \* Marquis della Torretta, the Italian Foreign Minister, announced in the Italian Chamber on Dec. 5 that the proposed Italo-Russian trade agreement had failed because of the Soviet representatives' refusal to include pledges to refrain from propaganda and their insistence on the injection of political clauses.

### SPAIN

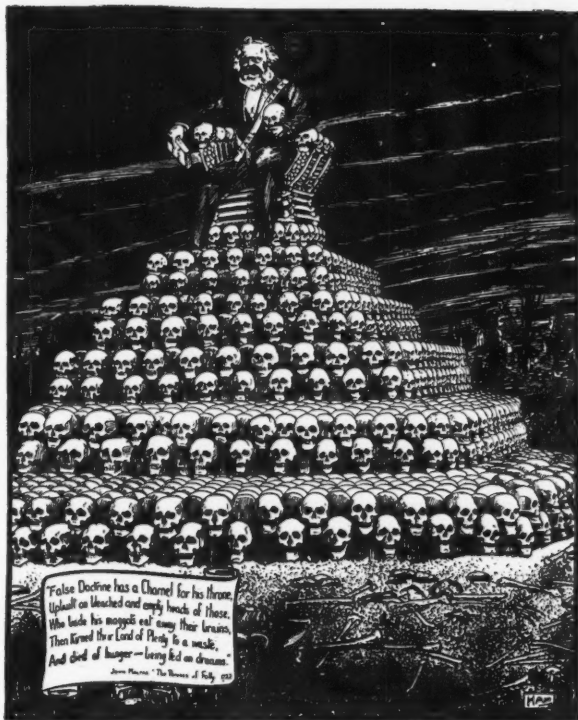
The conflict continued between the military juntas at Madrid and the commanders in the field in Morocco, the latter objecting to occupation of positions on the new General Staff by members of the juntas. In retaliation, the juntas attempted to usurp power by creating a Committee of Defense. On Nov. 22 General Sanjurjo occupied the position of Rasmedura, the last refuge of the Moors in the Melilla zone. The release of the Spanish prisoners captured in July continued. General Berenguer, the High Commissioner of Spanish Morocco, arrived in Madrid on Dec. 1 and began to consult with the War Ministry.

### SWEDEN

Premier and Foreign Minister Hjalmar Branting received at Stockholm Nov. 17 a note from Soviet Foreign Minister Tchitcherin, through the Soviet trade representative, Kerzentsoff, refusing to recognize the recent Geneva agreement (signed by ten powers Oct. 22) establishing the neutrality of the Aland Islands. The Aland



[English Cartoon]



—Whitehall Gazette, London

## WHERE MARXISM IS SUPREME

question, wrote Tchitcherin, cannot be settled without consulting Russia, and Sweden's signature to this agreement is regarded as a hostile act, in violation of reciprocal agreements between Sweden and the Soviet. The unconscious jest in this message seemed changed to earnest on Dec. 7 by Tchitcherin's sharp, peremptory note to the Finnish Government demanding the liquidation of all Karelian insurgent organizations, the cessation of Finnish financial, military and moral support of "the muntineers" and expulsion from Finland of all Russian counter-revolutionists. Tchitcherin declared Finland's proposal on Dec. 1 to submit the Karelian question to the League of Nations an unfriendly act against Russian sovereignty. The reported dispatch of 15,000 picked Red troops to Petrozavodsk against the Karelian adventure was taken as indicating a determination to bring all Russo-Finnish disputes, including the Aland settlement, to an issue. \* \* \* The Swedish Academy awarded the Nobel Prize for Chemistry for 1920 to Professor Walther Nernst of Berlin, inventor of poison gas and one of the signers of

the professorial manifesto of 1914 justifying the violation of Belgium. The Literary Prize for 1921 was bestowed on the French author, Anatole France. \* \* \* Prince William of Sweden Nov. 18 wrote for The London Times an account of his recent Central African expedition, in which he collected for the National Museum at Stockholm about 1,000 mammals, 2,000 birds and between 5,000 and 6,000 insects. \* \* \* Christine Nilsson, the operatic soprano, famous as the second Swedish nightingale, died Nov. 22 in Copenhagen at the age of 78.

## TURKEY

The French evacuation of Cilicia began on Nov. 28, in accordance with the terms of the French-Angora Treaty. At once came news from Armenian and Greek sources of renewed atrocities on the part of the Turks, and news from Angora that the Nationalists expected to recruit 50,000 men from the evacuated region and replenish their munitions from the "dumps" abandoned by the French. Several notes were exchanged between Downing Street and the Quai d'Orsay in regard to the treaty, while its ratification hung fire in the French Senate. \* \* \* On Nov. 28 Sir Adam Block, chief Administrator of the Ottoman Public Debt, made his annual report showing that the net receipts for the last fiscal year had increased about \$9,000,000 over the previous year.

## UNITED STATES

The chief interest in this country centred about the Disarmament Conference, which is treated in full elsewhere in these pages. Other matters of moment will be found recorded in the article entitled "The Month in the United States."

## WEST INDIES (BRITISH)

The citizens of Kingston, Jamaica, have asked the home Government to transfer to Jamaica the body of an unknown Jamaican soldier for burial at the foot of a cenotaph erected in the public square of the city. \* \* \* The Jamaican Government has authorized the expenditure of \$700,000 on a fifteen-mile extension of the Government railroad beyond Chapelton, adding to the branch line feeding the main road, which crosses the island from Kingston on the south-east to Montego Bay on the northwest.

# REPORT OF THE PHILIPPINE COMMISSION

*Full text of the official report of General Wood and Governor Forbes regarding immediate independence for the people of the Philippine Islands—A careful study of conditions, resulting in a negative verdict*

PRESIDENT WILSON'S message to Congress on Dec. 7, 1920, called attention to the fact that the people of the Philippine Islands had "fulfilled the condition set by Congress precedent to a consideration of granting independence to the islands," and added: "It is now our liberty and our duty to keep our promise to the people of the islands by granting them the independence which they so honorably covet." Because of conflicting evidence on the existing conditions in the islands, Congress failed to act on the recommendation. President Harding, with a view to getting more decisive evidence on one side or the other, wrote a letter to the Secretary of War on March 20, 1921, in which he recited the foregoing facts and continued: "I have, therefore, selected General Leonard Wood and W. Cameron Forbes to go to the Philippine Islands and to make there a study of the situation and to report thereon, in order that I may have a judgment on which I can base my action and my recommendations with a consciousness that I am dealing justly with the Philippine people and pursuing a policy which the American people will sanction and support." Secretary Weeks wrote to General Wood two days later, outlining the nature of his undertaking, and stating the crux of the problem in these words:

It is asserted with positiveness by persons who have had every reasonable opportunity to know the conditions whereof they speak that the Philippine Government is now in a position to warrant its total separation from the United States Government and that the Philippine people are in a position to continue to operate the Philippine Government without aid of any kind from the United States and that the Government so conducted would be one in which the American people could take pride because of the assistance heretofore given it.

All of this is quite as positively denied by other persons having similar opportunities to

study the situation and to know the exact conditions existing in the Philippine Islands.

Between these conflicting views you are to render judgment.

The decision of the question thus arising is of momentous importance, involving, as it may, the very life of the Philippine people as a people and the reputation and credit of our own country. \* \* \* Certainly it would be a vain thing to turn the Philippine Islands over to the Philippine people without reasonable assurance that the resources of the islands would remain the heritage of the people of the islands. The pleasing of the Filipinos of this generation would be a minor satisfaction if it were believed that it would result in the bondage or destruction of the Philippine people for all time hereafter.

The report of the special commission thus created has now been made public, and because of its exhaustiveness and its importance it is presented in its entirety by CURRENT HISTORY. The final judgment of the investigators is that the time has not yet come for granting independence—that "it would be a betrayal of the Philippine people, a misfortune to the American people, a distinct step backward in the path of progress, and a discreditable neglect of our national duty were we to withdraw from the islands" at the present stage of their development toward stable self-government. Since the report was written General Wood has become Governor General of the Philippines, having assumed that office on Oct. 15, 1921. Mr. Forbes, the other member of the mission, was Governor General from 1909 to 1913. The complete personnel of the commission, whose report is here presented, was:

Maj. Gen. LEONARD WOOD, Chairman.  
Hon. W. CAMERON FORBES.

## ATTACHED

Colonel FRANK R. MCCOY, Chief of Staff.  
RAY ATHERTON, Department of State.  
Lieut. Col. GORDON JOHNSTON.  
Major EDWARD BOWDITCH JR.  
Lieut. Commander STEWART F. BRYANT.

Professor H. OTLEY BEYER, University of the Philippines.

Major ROBERT C. CANDEE, Aide-de-camp.

First Lieutenant OSBORNE C. WOOD, Aide-de-camp.

#### TEXT OF THE REPORT

The full text of the official report of this "Special Mission of Investigation to the Philippine Islands"—with the exception of the preliminary correspondence already summarized—is as follows:

The special mission, as above constituted, arrived in Manila on May 4, 1921. Attached to and assisting the mission was a representative of the State Department, Secretary of the Legation in Peking, who had also served for some years in the embassy in Japan and is generally familiar with international affairs in the Orient; a staff officer of the Admiral commanding the Asiatic Fleet, who had served some years in the Orient; and Spanish-speaking officers of the army experienced in Cuban, Philippine and foreign affairs generally, three of whom had had prior and long service in the islands, both in civil and military establishments, in executive and administrative work and as members of legislative councils. Two of these officers had also accompanied the Harbord mission to the Near East.

During the travels of the mission throughout the islands it was accompanied by an experienced correspondent of The Associated Press, a special correspondent of one of the leading American dailies committed to giving independence to the Philippine people; and, as the representative of the Philippine press, one of the editors of the leading Manila journals, who, during the insurrection against Spain and the United States, had been an officer in Aguinaldo's army.

The attached members of the mission and the correspondents represented a wide variety of opinions.

From the moment of its arrival in Manila, the mission received every assistance from the Acting Governor General, the commanding General, the Admiral, and their staffs; also from Americans throughout the islands; and from the Philippine people and their political leaders generally, many of whom gave the benefit of advice and suggestion in the most cordial and friendly spirit. Their assistance has been coupled with a sincere and charming hospitality which continued to the last moment of the mission's stay.

During these four months in the islands the routine of the mission consisted of periods of about a week in Manila, during which conferences were held with officials of the Central Government, with representative Americans, Filipinos, and foreigners of every walk of life. Investigations were undertaken looking to a thorough analysis of the Government and its activities, followed by periods of from two to four weeks of investigation in the provinces. During these trips forty-eight of the forty-nine

provinces into which the islands are divided were visited. The mission has aggregated eleven weeks of travel by sea, auto, horse and rail, and has held conferences in 449 cities and towns. All parts of the archipelago were visited, and your mission feels it has placed itself in intimate touch with the great mass of the Philippine people—Christian, Moro and pagan—and with practically all Americans and foreigners domiciled and doing business in the principal cities and towns of the islands.

Too often there has been a marked disinclination on the part of individuals, especially Filipinos not in sympathy with immediate or absolute independence, to state their opinion openly, for the reason that they feared loss of standing or persecution if they did so. Their fears were very genuine and, unhappily, there is evidence that their apprehensions were well grounded.

When practicable, important administrative investigations were made, with the knowledge and assistance of the Acting Governor General and his assistants. The mission and its attached members, however, personally visited administrative and judicial offices, the courts (including Justices of the Peace), schools, hospitals, jails, and other public institutions throughout the islands, and feel they have completed a thorough and careful survey of the Government, the people and their institutions. As a result, it has been able to form definite conclusions on the general subjects and upon the conduct of the Government.

The date of the arrival of the mission at the various towns and cities was made known well in advance, in order that there might be ample time for the preparation of petitions, memorials, and addresses. Almost without exception, the officials and people of the regions visited paid great attention to the reception of the mission. The roads and streets were decorated with arches, generally bearing the word "Welcome," followed by a statement that the people desired their independence.

The public assemblies to greet the mission and present addresses and memorials were usually of a size which indicated a keen interest in the question of independence. The people were attentive and quiet, but there was a lack, due in part to racial reserve, of that exuberant enthusiasm which so often marks the public discussion of questions of national import.

The proportion of speakers representing business and agriculture was relatively small. The majority were from the younger generation.

#### HISTORICAL SKETCH

In considering the question of granting independence to the Philippine Islands, it is of interest to note that they have always been a dependent group under the influence of a stronger power. It is appropriate to review briefly their history. Previous to 1400 the islands had been subject to Hindu-Malayan empires in Sumatra, Indo-China, and Borneo; at that date they ceased to form an integral part of the Javanese Madjapahit Empire.

Shortly after 1400 Mohammedanism was introduced, but politically the islands were subject



to China during the reign of the ambitious Ming Emperors.

The first Europeans who visited the Philippines were Portuguese, about 1517, and Spaniards, in 1521. The century preceding the European discovery had been one of the most eventful periods in the history of the islands. In addition to the Chinese attempt at political as well as commercial domination, the Japanese entered the islands in the north and the Mohammedans of Brunei (Borneo) in the south. At the time the first permanent European colony under Spain was established, in 1565, all of the islands as far north as Manila were subject to Borneo and, it is said, paid tribute equal to about 1½ liters of gold per annum. While the Japanese and Chinese were also settled in Manila, the strongest Japanese influence was in the North of Luzon, from which they were driven by the Spaniards in 1582, with the conquest of their fortified trading stronghold in the Cagayan Valley.

The chief cause of Japanese interest in the islands was their search for rare pottery, gold and pearls.

The first permanent Spanish colony was founded in Cebu in 1565, and Manila was conquered in 1570. Spanish records state that in 1600 there were some 25,000 Chinese and 1,500 Japanese in Manila alone, but of these 2,300 Chinese were massacred in the year 1603 by the Spaniards, fearful of their numbers. There were three subsequent massacres of Chinese by the Spaniards for the same reason. During the next two decades the coastal regions of almost the entire archipelago were brought under Spanish control.

The Spanish Government of the Philippines was placed under the Viceroy of New Spain (Mexico) and all communications were through him. A Captain General was at the same time military commander and head of the Civil Government. The main purpose of the Spaniards in the Philippines was the search for treasure, commerce and the spread of Christianity; but they soon discovered that the amount of treasure obtainable in the islands was limited, and, although a constant expense to both the Governments of New Spain and Spain, they were retained to spread the Christian religion.

In 1592 the Shogun Hideyoshi of Japan demanded that the Spanish Government of the Philippine Islands pay annual tribute and acknowledge the sovereignty of Japan. The Spanish Government was loath to do this, but due to shortage of men and ships and lack of support from New Spain, was forced to acquiesce to the extent of paying tribute, which was actually paid on several occasions during a period of from fifteen to twenty years.

Spanish control continued in the Philippines until 1898, although the Portuguese, Dutch and British tried at various times to overthrow the Spanish power. All these efforts were unsuccessful, though the British captured Manila and ruled it for three years under Alexander Dalrymple, in the middle of the eighteenth century.

From these various partial conquests of the Philippine Islands there remains today a strong

influence on the native customs, language and religion—the Mohammedan religion, from Indian and Arabic sources, a dominant Chinese influence in commerce and trade, Christianity, Roman law, and many features of Occidental civilization from Spanish sources.

American control in the Philippines began during the war with Spain, but was not firmly established until 1900.

Racially, the mass of the Philippine population is of Malayan stock, though other types are to be found, especially among the 10 per cent. of non-Christians. Chinese and Spanish race mixtures are common among the wealthy and better educated classes, this mixture seeming to strengthen the native stock. The inhabitants of Borneo, Sumatra, Java, Formosa, and, to some measure, Indo-China (the Malay groups), are racially the most nearly related to the Filipinos.

Whatever may be said of Spain's methods (and too much is said without knowledge), the fact remains that she implanted the Christian religion and European ideas and methods of administration in these islands and laid the foundations which have been of far-reaching value in our work here. From a number of warring tribes, Spain succeeded in welding the Philippine people into a fairly homogeneous group, sufficiently allied in blood and physical characteristics to be capable of becoming a people with distinctive and uniform characteristics.

Spain did not, however, seriously undertake to give them a common language, and although most of the more progressive and intelligent people managed to learn Spanish, no effective effort was made to make it a common language for the different groups, who continue to this day speaking many distinct dialects. There are eight languages in the islands, each of which is used by not less than 500,000 people, and some seventy-odd more which are used by smaller groups. Some differences between these dialects are slight enough, so that people using different ones can make themselves understood, but many are so radically different that they are mutually unintelligible.

#### UNDER AMERICAN RULE

The United States obtained possession of the islands by conquest in 1898. The islands were formally transferred to the United States by Spain in the Treaty of Paris.

Almost immediately President McKinley announced that the Philippine Islands were not to be exploited for the aggrandizement of the American people:

"The Philippines are ours not to exploit, but to develop, to civilize, to educate, to train in the science of self-government. This is the path which we must follow or be recreant to a mighty trust committed to us."

The twenty-three years of American occupation may be divided into the following four distinct periods:

First, the military period, from Aug. 13, 1898, to July 1, 1901. During this period the islands were under a military Governor, and the insurrection against the United States, headed by

General Aguinaldo, was being suppressed. United States troops went to the Philippines in large numbers, and the first problem confronting the Government was the establishment of public order.

In spite of the continuance of military operations, substantial beginnings were made in the establishment and maintenance of a Civil Government, particularly in establishing respect for the authority of the United States; in the opening of schools, in which the first teachers were noncommissioned officers of the army; in the establishment of the judiciary, and also in the matter of public health and public works. Organization Order No. 58 of 1900 of General Otis laid broad and secure foundations for the establishment of civil government.

Second, the organization period, from July 1, 1901, to Oct. 16, 1907, in which the sole legislative body of the islands was the Philippine Commission, appointed by the President of the United States. In this period much constructive work was done—the creation of a working Government was undertaken, a public school system organized, 5,000 schools were opened with 7,671 teachers and an enrolment of 400,000 children, about one-fifth of the children of school age in the Philippine Islands; a census taken, the judicial system organized and the procedure adopted, a currency system established, public works started on a systematic basis, health service reorganized and put in more effective condition, and in general the structure of Government built on secure foundations. Governors Taft and Wright, members of the original commission, were the Governors responsible for most of this work.

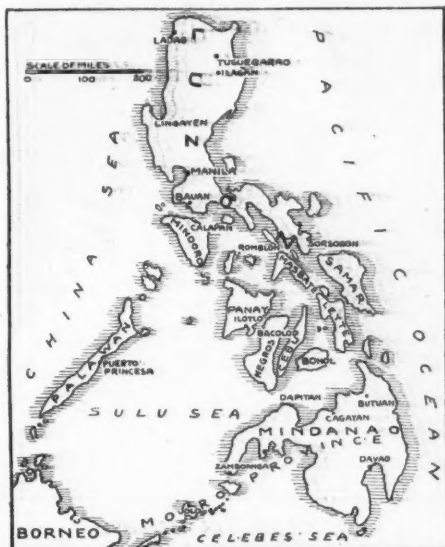
Third, the constructive period, from 1907 to 1913. In this period one-half the legislative powers, namely, the lower house, were turned over to a body of elected Filipinos, known as

the Philippine Assembly; the commission becoming the upper house, or Senate. This, with the proviso that in case of disagreement between the two bodies as to appropriations the previous appropriation bill should carry over. On three occasions the two houses failed to agree on the appropriation bill and the previous bill was carried over without any great injury accruing to the public service. During this period a broad and practical public works program was laid down and carried out, involving the construction of roads, bridges, port improvements, irrigation works, schoolhouses, markets and other public buildings. Artesian wells were driven. Practical and effective negotiations were entered into for the financing and construction of railroads and for encouraging inter-island transportation. Steamship subsidies were established, and a large number of lighthouses were built. A comprehensive cadastral survey of the islands was undertaken, and many other constructive enterprises, which met with the cordial appreciation of the Philippine people. In this period the University of the Philippines was founded, also many professional schools, and the policy of the general extension of education was continued.

Throughout these three periods the policy was established and followed of utilizing Filipinos in the Government, on the general principle of putting them in the less responsible positions—which was proper, as they had little experience—and carefully training them for promotion and working them up as rapidly as their efficiency and training proved, through protracted periods, justified. At the end of this period the proportion of Filipinos in the service was 72 per cent., as against 28 per cent. Americans.

Fourth, the period of Filipinization, 1914 to 1921. The first step taken by the new administration was to give the Filipinos a majority of the commission, or upper house. The second was the passage of what is now the fundamental law of the islands, known as the Jones bill, Sixty-fourth Congress, Act. 240, approved August, 1916. Under it the Christian and civilized provinces were permitted to elect a Senate and a House, and the Governor General authorized to appoint representatives for the non-Christian portions of the islands, the Legislature having legislative control over the whole archipelago. During this period the administration deliberately adopted the policy of getting rid of most of the Americans in the service, competent and otherwise, and made the service so unattractive that very few remained, until at this writing the percentage of Americans in the service is only 4 per cent., 96 per cent. being Filipinos. The orderly process of promotion of proved efficiency from the less important positions was changed to a hurried Filipinization, placing Filipinos in nearly all of the higher positions. Many, including some of those selected for Judges, were chosen apparently without due reference to their training or experience.

Great emphasis was laid during this period, particularly toward the end, on the extension of education, many new schools of all grades



SKETCH MAP OF THE PHILIPPINE ISLANDS

being established and the enrolment in the public schools being brought up to the present high figure of 945,000, or double what it had been at the beginning of the period, more children of school age finding an opportunity to go to school than ever before. There are also about 75,000 children in standard private schools, or a total of over 1,020,000 in school.

Further progress was made in public works, particularly public buildings, extensive boring of artesian wells, construction of new hospitals, &c.

The period was marked, however, by a deterioration in the quality of public service by the creation of top-heavy personnel, the too frequent placing of influence above efficiency, by the beginning of a political bureaucracy. In this period, taxation and expenditures were very greatly increased.

### THE PHILIPPINE PEOPLE

The Philippine people possess many fine and attractive qualities—dignity and self-respect, as shown by deportment, complete absence of beggars, personal neatness and cleanliness, courtesy and consideration to strangers and guests, boundless hospitality, willingness to do favors for those with whom they come in contact, which amounts almost to inability to say "No" to a friend. They are happy and care-free to an extent seldom found among other peoples, keen to own their land, strongly attached to their homes and their children, proud of and devoted to their beloved Philippines; they are free from worries arising from international difficulties and responsibilities, they are refined in manner, filled with racial pride, light-hearted and inclined to be improvident, as are all people who live in lands where nature does so much and people require so little. In many positions they have shown marked capacity and have done better than could reasonably be expected of an inexperienced and untried people. There are many holding high positions in the judicial, executive and educational departments who would be a credit to any Government. They are proud, as they well may be, of the advance they have made since the beginning of American control of the islands, for it can be safely stated that no people, under the friendly tutelage of another, have made so great a progress in so short a time; for twenty-three years is but a brief time in the development of a people.

They possess active minds, their children are bright and precocious and learn rapidly. The whole people have a consuming thirst for education, and, as is common among those who have had little opportunity and much hard work, there is a leaning toward the learned professions or occupations which do not involve severe manual labor, and a tendency to underestimate the importance of agriculture and the dignity of labor, and to overestimate the standing given by the learned professions.

Their support and aid in the building up of public education are beyond praise. They have sacrificed much that their children might be able to go to school, and the interests of an

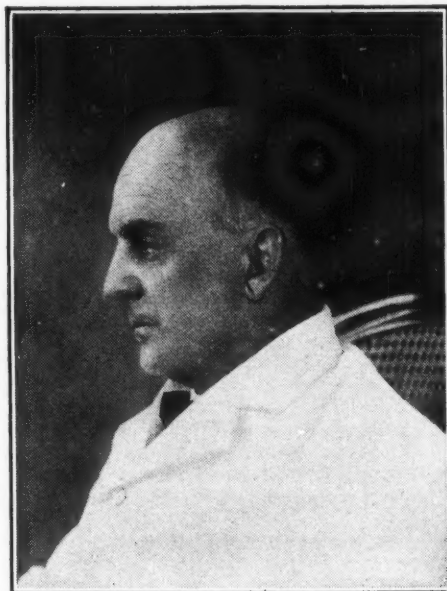
entire family are often subordinated to sending the selected member to a higher school or university. Schoolhouses are often constructed by voluntary contributions of labor, money and material.

There is a serious lack of educated public opinion, for as yet the Philippine public is not a reading public, and there is a lack of a strong, independent press, although there has been a great advance in this respect during recent years, and there are several outstanding independent papers of great local influence. The daily total circulation of all island papers is a little less than 140,000, and in the remote provinces people still depend largely upon the circulation of news by word of mouth.

The Philippine people are readily led by those who understand them. They make brave soldiers, and under good leaders make excellent troops. Due to the lack of a well-informed public opinion they are easily swayed by their leaders.

As a result of generations of disregard for sanitary measures, they are still rather Oriental in their attitude toward disease and questions of public health and sanitation. This indifference is being rapidly corrected.

The Philippine woman is a strong and dominating influence in every home and community; she is modest, loyal and hard working, and while not much in evidence she is nevertheless always to be reckoned with. She is the strong conservative influence which keeps together the home, saves the money, and is the foundation of the success of many families. The establishment of large numbers of women's clubs, that concern themselves with hygiene and other



W. CAMERON FORBES  
Former Governor General of the Philippines and  
member of Special Commission to the islands



civic matters, is a most encouraging sign of the times.

The mass of the Philippine people are and always have been agriculturists or fishermen. They have not in the past been active in commerce, except in small stores principally run

the building up of a common tongue with the resulting spirit of solidarity.

They possess marked ability in many fields of effort, an ability which is not as apparent as it would have been had not all the intricacies of a highly organized representative form of government been imposed upon them with too great rapidity.

The Philippine people represent the most advanced experiment in the establishment of representative government in the East, and in our endeavor to establish it, complete in all its details, we have in many instances, by the rapidity of our procedure, overtaxed the ability of the people to absorb, digest and make efficient practical use of what it has taken other nations generations to absorb and apply, and in our critical impatience we forget the centuries of struggle through which our own race passed before it attained well-balanced government.

#### PRESENT CONDITIONS

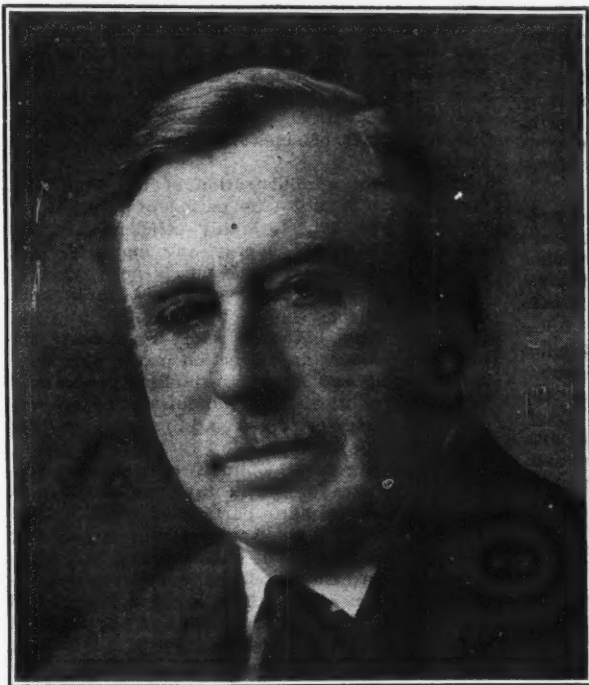
There has been a progressive transfer of government to the people of the islands, and at the present time it is very largely in their hands. So extensive has been the transfer that many fail to realize that there still continues in the islands a decisive American control that assures the maintenance of an orderly government, secure against disturbing influences from within and without.

In view of the difficult situation which existed after the insurrection, the difference in language, customs and in conceptions of citizenship obligation, the progress which has been made in the twenty-three years of

American occupation is extraordinary. It is a high tribute to Americans and Filipinos alike. The animosities have disappeared and there remains a spirit of confidence and friendliness for the American people throughout the archipelago. Much has been done, but much remains to be done.

While there has been retrogression in the efficiency of most departments of the Government during the past few years, we do not feel that the responsibility for this rests solely upon the Filipinos or that they should be unduly blamed for such failures as have occurred, as the ultimate responsibility for the selection of responsible officers and for the exercise of proper supervision was in the hands of the American Governor General, whose duty it was to exercise due care to appoint competent men at the heads of departments and bureaus, and, above all, to exercise proper supervision over them.

A reversal of policy is not needed now, but time for the Filipinos, under careful but friendly supervision, to absorb and master what is already in their hands. We must remember that the good qualities of the people, their enthusiasm



GENERAL LEONARD WOOD  
*Newly appointed Governor General of the  
Philippine Islands*

by the women, although at the present time they are taking a constantly increasing part in the commercial affairs of the islands.

They have, however, a long road to travel before the bulk of the business done in the islands is in their hands, as most of the retail stores, the import and export business, financial institutions and corporations are in the hands of Americans and foreigners, especially Chinese.

In many sections the heads of the old families, who were almost feudal in the extent and method of control, still exercise a dominant influence and are able to impose their will upon the people. Happily, as education progresses, this condition is steadily lessening.

The people are mostly Roman Catholic, with predominant Mohammedan groups in the southern islands, and various pagan groups, especially in Luzon, Mindanao and Palawan.

They are naturally an orderly and law-abiding people.

The numerous languages and dialects, the separation of the people into groups living on the islands, the lack of a press of wide circulation, printed in a common language, have delayed

and their determination cannot take the place of experience.

We must build up an informed public opinion, a stronger spirit of civic responsibility and a better appreciation of the obligations of citizenship. In this the island press has a vitally important part to play. The task of building up a truly representative form of government is made much easier by the fact that the great bulk of the people are Christians, that they are free from caste distinctions, that although Oriental in blood and birth they are essentially Western in religion, form of government and in ideals and aspirations, and that their true sympathies and affiliations lie with the great Christian nations.

The influence of our efforts to establish representative self-government in the Philippines extends far beyond the Philippines. It reaches every part of the Orient where free institutions and representative government are the dream of the people.

The great bulk of the Christian Filipinos have a very natural desire for independence; most of them desire independence under the protection of the United States; a very small percentage desire immediate independence with separation from the United States; a very substantial element is opposed to independence, especially at this time. The Moros are a unit against independence and are united for continuance of American control, and, in case of separation of the Philippines from the United States, desire their portion of the islands to be retained as American territory under American control. The pagans and non-Christians, constituting about 10 per cent. of the population, are for continued American control. They want peace and security. These the Americans have given them.

The Americans in the islands are practically a unit for the continuance of American control.

The people, as a whole, are appreciative of the peace and order which prevail throughout the islands. Many do not understand what independence means, or its responsibilities. They are living under the best conditions they have ever known. It is not generally realized that the American Government cannot be expected to assume responsibility for the results of internal disorders, particularly as they affect the nationals of other powers, the treatment of foreign capital, and external political relations, unless the United States retains a certain measure of control.

The great work which the American commercial population and organizations have done in the islands should not be overlooked. It has contributed greatly to the betterment of conditions. They have built up and established business and credit from one end of the islands to the other. They have always been a strong force in the support of law and order, intensely American in sentiment and, on the whole, a good, stabilizing and helpful influence. At times they have been impatient, and justly so, with the discouragement of American business efforts, and there have been conditions which have given rise to strained relations between

individual Americans and Filipinos, but never resulting in any disturbance of public order.

The American and foreign church missions and schools and charitable associations have done much to improve the spiritual and physical condition of the people and to build up better relations between the Filipinos and Americans.

Generally speaking, administrative departments of the Government are top-heavy in personnel and enmeshed in red tape. There is a vast amount of paper work. The methods of the administration are purely bureaucratic. There is a lack of supervision and personal contact.

The general administration of the Philippine Government in 1913, the period of greatest efficiency, was honest, highly efficient, and set a high standard of energy and morality. Inherited tendencies were being largely replaced by American ideals and efficiency throughout the Philippine personnel, but the time and opportunity were both too short to develop experienced leaders and direction in the new English-speaking and American-thinking generation. Both the political and administrative leaders were still Spanish-trained and Spanish-speaking, and many are so today.

It is the general opinion among Filipinos, Americans and foreigners that the public services are now in many particulars relatively inefficient; that there has occurred a slowing down in the dispatch of business, and a distinct relapse toward the standards and administrative habits of former days. This is due in part to bad example, to incompetent direction, to political infection of the services, and above all to lack of competent supervision and inspection. This has been brought about by surrendering, or failing to employ, the executive authority of the Governor General, and has resulted in undue interference and tacit usurpation by the political leaders of the general supervision and control of departments and bureaus of the Government vested by law in the Governor General.

Again, the Legislature has passed laws tending to demoralize and introduce into the civil service the infection of politics. For example, numerous exemptions from the requirements of the civil service and many provisions for temporary employment. All these defects can and —unless we fail to understand the spirit of the Legislature and the leaders—will be corrected in the islands.

#### CONSTABULARY AND PUBLIC ORDER

Public order is maintained principally by the constabulary, a force of approximately 5,800 officers and men. This organization has proved itself to be dependable and thoroughly efficient. In discipline, morale and appearance it still bears the strong impress of the carefully selected officers of the United States Army who organized, trained and developed it.

This force, excellent as it is, is designed to meet the police needs of the situation in time of peace. There is no adequate local organization of the Philippine people for defense of the islands against aggression. The American Gov-

ernment should at once take the necessary steps to organize, train and equip such a force.

There has been some lowering of standards, due principally to the sudden loss of the bulk of the experienced American officers who left the service to enter the World War, and to the effects of the low rate of pay which resulted in many leaving the service; also to the demoralizing, and at times intimidating, effect of political influence, the detached nature of the duties, infrequent inspections and frequent change of officers. But on the whole this force is a very satisfactory one and is entitled to great credit for its morale, efficiency and orderly and effective performance of duty.

Some years ago a school for constabulary officers was organized and has been in operation with excellent results. No men are now appointed to the constabulary who are not graduates of this school, where they have undergone a careful preparation and training. The quality of the graduates shows what can be accomplished when opportunity for careful training is offered.

Public order is excellent throughout the islands, with the exception of minor disturbances in the Moro regions, due principally to energetic and sometimes overzealous efforts to hasten the placing of Moro children, especially girls, in the public schools, and to the too sudden imposition upon the disarmed Mohammedans of what amounts to an absolute control by Christian Filipinos. It is also due in part to failure to give adequate representation in local governments to Moros.

#### ADMINISTRATION OF JUSTICE

Justice is administered in the Philippines by a Supreme Court, numerous Courts of First Instance, Justice of the Peace Courts and Municipal Courts.

The Supreme Court has the respect and confidence of the Philippine people. The other tribunals do not enjoy an equal degree of confidence. In the lower tribunals, generally speaking, the administration of justice is unsatisfactory, slow and halting, and there is a widespread feeling among the people that political, family and other influences have undue weight in determining issues.

During the existence of the Philippine Commission a most serious effort was made to secure the best available men for the bench, without regard to party affiliation, and the men appointed at that time as a rule enjoyed public confidence. In later years the same care has not been exercised.

There are pending in the courts of the islands today, in round numbers, approximately 50,000 cases, including some 8,000 probate and guardianship cases. Conditions are growing steadily worse, and with the present personnel and methods the dockets will never be cleared.

The condition of the Courts of First Instance is generally deplorable. The number of cases filed has steadily increased from year to year. The number of Judges has not been increased proportionately and is insufficient to dispose of, promptly and efficiently, the great volume

of business that they are called upon to transact. The abolition of the Court of Land Registration imposed a heavy additional burden upon these courts. The Judges in too many courts do not realize the necessity of reaching early and prompt decisions and are too ready to postpone hearings and trials. The clerks of the Courts of First Instance are too often without the necessary experience. There is no uniform system of filing records, and in many cases it is difficult for attorneys to secure records promptly.

The Justice of the Peace Courts are the weakest point in the judicial establishment. Complaints against these courts are numerous and come from all parts of the archipelago. Because of the remoteness and isolation of many of these tribunals, the want of frequent and effective supervision and inspection, many abuses are perpetrated.

A frequent cause of complaint is against extreme action taken under the provisions of Act 2098, which enables employers of labor to prosecute their laborers for breach of contract, and in many cases to hold them against their will, resulting in a kind of legalized peonage. The laborers are kept in debt through the advance of money and supplies, and in return for these advances agree to work for definite periods of time and under certain conditions. Under the provisions of this act, should they leave before completion of contract they can be arrested and tried for violation of contract and for obtaining money or supplies under false pretenses. During the fiscal year 1918 there was a total of 3,266 cases of this nature, of which 1,456 were convicted.

Another common cause of complaint is the initiation of proceedings resulting in the arrest and confinement at remote places of people who are unable to give bond. This procedure results often in holding of men in confinement for months before the cases are acted upon by the Judge of the Court of First Instance.

The present condition results first and above all from the lack of proper inspection and prompt corrective action where inefficiency and negligence have been shown, from an insufficient number of Judges, insufficient pay and no provisions for retirement, and in some instances to lack of careful selection.

Investigation also indicates very clearly that more care should be exercised in the selection of the fiscals, or prosecuting attorneys.

The unsatisfactory condition in the administration of justice can be corrected by the insular authorities. In doing this it is important to build up a strong public opinion in support of a prompt, effective and impartial administration of justice. Provisions should be made for the retirement of Judges of the Courts of First Instance and the entire administration of justice must be placed outside the scope of political and other improper influences. In brief, the independence and stability of the Judiciary must be established. It lies at the foundation of stable government.

**Land Titles**—The land title situation in the Philippines is a serious one. It should be the policy of the Government to push forward the



cadastral survey, determine titles to land as quickly as possible, and to facilitate in every possible manner the acquisition of titles by homesteaders. Nothing is more conducive to good government than having the people secure in the ownership of their land and possessing titles guaranteed by the Government, as is the practice under the Torrens system. Filipinos have the excellent trait of a strong, inherent desire to own their own land.

The present unfortunate land title situation is largely due to an inefficient administration of the Land Office in recent years and to an increase in the number of problems which the Government has to handle.

In 1913 the Insular Government had a thoroughly efficient and trained Bureau of Lands and an experienced and effective Court of Land Registration. Today the inefficiency of the Bureau of Lands is due, in part, to lack of experienced and trained personnel, to inefficient management and lack of funds. Delay in obtaining titles is also due to the abolition of the Court of Land Registration and to the transfer of land cases to the overloaded Courts of First Instance. This has resulted in an increase in the number of abuses by which the poor farmer and homesteader, ignorant of his rights, is forced off his land by his richer and unscrupulous neighbor. The situation tends to serious discontent and must be corrected.

An adequate Court of Land Registration should be re-established.

**Prisons**—The Insular Government maintains Billibid Prison in Manila, the San Ramon Prison and Penal Colony combined near Zamboanga, the Iwahig Penal Colony near Puerto Princesa, on the island of Palawan; the Fort Mills Prison on Corregidor, and a prison at Bontok in the Mountain Province. The total number confined in all these prisons for 1920 was 5,254.

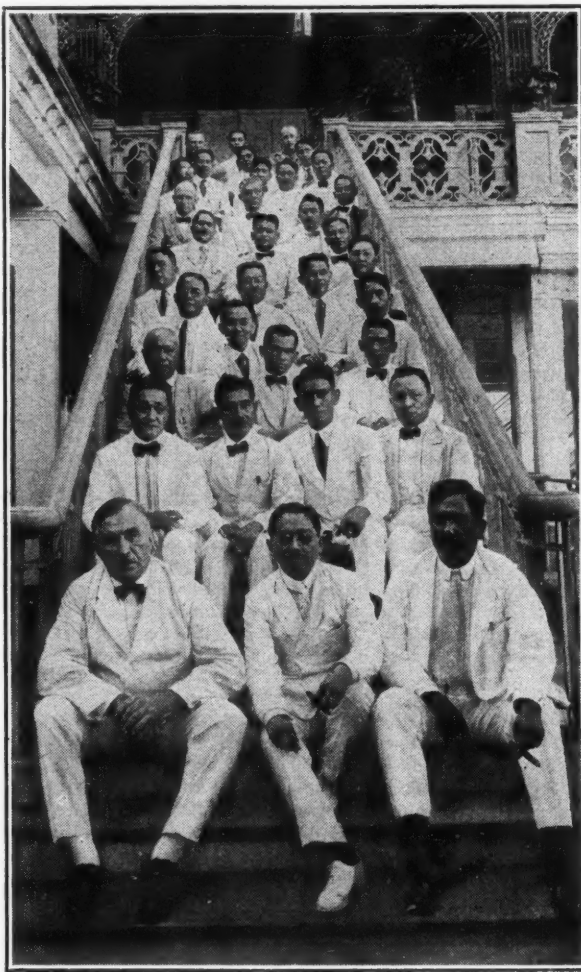
Billibid is the receiving station and distributing point of all classes of criminals, except those of the Moro and Mountain Provinces, which are held at San Ramon and Bontok, respectively. Billibid retains convicts which cannot be worked outside and about 1,500 employed in industrial work.

**Treatment of Prisoners**—Prisoners, upon arrival in any of these prisons, are physically examined, treated if found necessary, given a period of training in drill and exercise movements and, if possible, assigned to work for which preference is expressed. The time of confinement in prisons under guard is determined by character and length of sentence and expressed desire of prisoners, governed by good conduct. Incentives are provided for good conduct in additional privileges, gratuities, by

additional liberty through classification as "trusties" or penal colonists, and by automatic reduction of the time of sentence by reason of good behavior.

Prisoners of excellent conduct who have served one-fifth of their sentence at Billibid may be sent to Iwahig, where five additional days per month are allowed for good time credit. Also, life sentence is commuted to thirty years in the cases of convicts who are sent to Iwahig, and good behavior counts so that life sentences can be served in about twenty-two years. Furthermore, at Iwahig, a convict by good conduct may become a settler and receive one-half of what he produces, the land, tools, animals, &c., being provided for him.

The Iwahig Penal Colony has a reservation of over 100,000 acres on the Island of Palawan. It is a partially self-governing community, founded originally somewhat upon the principle of the George Junior Republic. It has a popula-



MAJOR GENERAL LEONARD WOOD AND THE PROVINCIAL GOVERNORS OF THE PHILIPPINE ISLANDS AT THEIR FIRST CONFERENCE IN THE MALACANANG PALACE, MANILA

tion of about 1,200 colonists and has proved to be a most successful institution, far advanced in reformatory methods and results, the number of convicts returned to prison after release from the colony being extremely small.

**Provincial and Municipal Jails**—Besides the above-mentioned prisons, most of the provincial and municipal jails in the islands were carefully

The following gives an idea of the progress in this department:

#### ENROLMENT IN SCHOOLS

|                       | 1898. | 1902.    | 1907.   | 1914.   | 1920.   |
|-----------------------|-------|----------|---------|---------|---------|
| Pupils .....          | 4,504 | *200,000 | 479,978 | 489,070 | 925,678 |
| American teachers.... | 847   | 746      | 658     | 341     | 316     |
| Filipino teachers ... | 1,914 | 6,141    | 7,013   | 7,234   | 20,691  |

\*Estimated.

In 1920 the public owned 4,063 and rented 1,163 school buildings.

The total expenditures for administration and instruction were about \$6,869,654.50 for 1920. The university had, in 1920, an enrolment of 4,130, with a teaching force of 379 professors and assistants. The cost of operation was \$753,926.57.

As before stated, the self-sacrifice of the parents has been great. They have willingly deprived themselves of many necessities in order that they might aid in the voluntary building of schools and properly equip their children for school attendance. The percentage of the population in the schools is about 10, an excellent showing for a new Government (the percentage for the United States for 1918 was 20.13). The amount spent for each pupil per year is \$9.50 (the United States annual expenditure is \$36.62). The amount per capita for the entire population of the Philippine Islands is \$0.86.

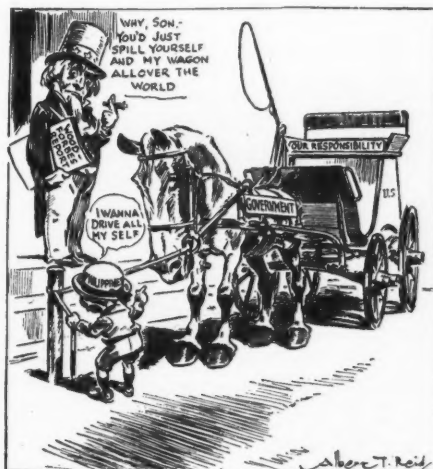
One of the most difficult problems has been to secure efficient teachers. No class of men and women should be selected with more care, for they are charged not only with the routine education of the children, but inevitably have a great influence in forming their ideas of citizenship obligation, respect for the law and the authorities, and as these teachers do their work today so will the Philippine people of tomorrow be. Too much care cannot be exercised in their selection, for only men and women of capacity can teach children to think straight and to apply their minds to the problems of life intelligently.

The exceedingly rapid expansion of the school system has made it difficult to secure a sufficient number of well-trained teachers. The great majority of the teachers in the primary schools are products of the intermediate schools and have had comparatively little experience in teaching, so that hand in hand with the education of the children has gone the effort to train and build up a competent teaching force.

One of the principal objects of the schools is to teach the children to speak English, so that it may become the language of the people. This is of vital importance, as it will form a bond of union for the numerous and more or less distinct language groups and establish a common medium of communication, which will make for efficiency in government and tend to build up a spirit of solidarity. It will also result in a more widely circulating press and the creation of an instructed public opinion, which is most important.

There is a great shortage of English-speaking teachers. Many of the Filipino teachers who

[American Cartoon]



—New York Evening Mail

#### CONFIDENCE RATHER ONE-SIDED

inspected. The provincial jails were generally overcrowded. There are little or no provisions for taking care of the sick. Marked favoritism is often shown to prisoners with influential friends. The food is generally good and sufficient. The condition of the clothing is fair. The prison guards are poorly trained and poorly disciplined.

The municipal jails are, as a general rule, unsatisfactory. They are small, dark, usually poorly ventilated and insanitary. The municipal prisoners are poorly fed, poorly clad, and generally poorly cared for. In the great majority of municipal jails no proper provision is made for female prisoners.

It was observed generally throughout the islands that there were a great number of prisoners awaiting trial for unusually long periods.

#### PUBLIC EDUCATION

The Filipinos are deeply interested in public education. Their enthusiasm, their keenness to secure education for their children is beyond praise. The progressive development of the school system has been phenomenal. Indeed, enthusiasm has at times outrun prudence, and expansion has taken place so rapidly that efficiency has not been able to keep pace. However, such mistakes as have been made have resulted from enthusiasm in a noble cause—the education of the youth of the islands.

are instructing in English are themselves far from proficient in it. The force of American teachers is altogether too small and should be increased to approximately 1,000 if instruction in English is to be rapidly and successfully pushed forward.

In order to secure this number of American teachers, in addition to the present salary a liberal allowance will have to be made for transportation to and from the islands. And as a further measure toward better conditions for instruction in English, arrangements should be made for an intensive course in English for the native teachers during the Summer months.

The preparation of the Filipinos to meet the professional and scientific requirements of their country and for the advancement of general culture is in part provided for by the University of the Philippines, the high schools, and certain private schools and colleges.

At present these institutions are not turning out a sufficient number of graduates to meet the needs of the situation. The University of the Philippines is an institution full of promise, but is not meeting the demands upon it in as satisfactory a manner as could reasonably be expected. There is an urgent need of Americans of high standing and capacity for the heads of some departments. A general reorganization is urgently necessary and business management must be put on a sound basis. The medical school should be brought to a par with the best in America and the school of tropical medicine should be re-established and placed under the direction of a thoroughly competent personnel. This school, a few years ago, had attained the highest standing in the East. At present it is not in operation. The college of agriculture, veterinary college, and the college of education should be strengthened and enlarged to meet the needs of the people.

A serious effort has been made on the part of teachers and others to impress upon the children the dignity of labor, and we are glad to say that good progress has been made. There is a very general interest and strong development throughout the school system in the industrial and agricultural training adapted to the needs of the people, in the manual training for boys and domestic science and hygiene for girls. There is a strong interest in athletics throughout the public school system and in the university. This has received the strong encouragement of the Philippine people. Filipino athletes have on two occasions won the championship of the Orient in the Far Eastern Olympiad, in competition with athletes from Japan and China.

#### THE BUREAU OF SCIENCE

This was probably the most important single institution in the Philippines, and for years it rendered vitally important service not only to the Philippine Government in its various departments but also to the world at large through its scientific research work. It attained a position of great eminence and credit, but on account of the lack of adequate support and adequate personnel it does not occupy the posi-

tion today that it did from 1905 to 1915. Reorganization and the appointment of a personnel in all respects adequate are imperative. The work of this institution is of inestimable value to the Philippines and to the world at large.

#### HEALTH AND SANITATION

It can be said, without fear of successful contradiction, that the average Filipino is born, lives and dies without medical attendance or nursing. There is a great lack of hospitals and dispensaries. The excellent health service which previously existed has become largely inert. Much of the personnel remains, but it has lost the zeal and vigor which formerly characterized it.

Appropriations for sanitary work and medicines, &c., are insufficient.

The statistics of the Philippine Health Service show that there has been a steady increase in recent years in the number of preventable diseases, especially typhoid, malaria, beriberi and tuberculosis. Before suggestions could be intelligently offered as to remedying this and other shortcomings in health administration, a detailed study would be necessary. It would seem, however, that as a basis for constructive action it is a sound assumption that the health activities and measures for medical relief which are so scattered throughout so many different agencies should be co-ordinated into one department and that an endeavor to correct conditions should work toward the realization of that object.

There is a great shortage of doctors, nurses and properly trained sanitary personnel. Outside of the largest towns hospitals are so few and far between that they are a negligible quantity. There are about 930 nurses for a population of ten and one-half million. The number of nurses should be greatly increased. They are most useful as sanitary inspectors and visiting nurses. Wherever you find good nurses you find lowered infant mortality and improved sanitary conditions.

**Lepers**—The Philippine Islands have the largest single leper colony in the world. About 5,000 lepers are assembled at Culion. Excellent work has been done here, and the efforts and results are entitled to much credit; but much remains to be done. The lepers are too congested. There should be a segregation of those who have become negative and of the children who are born free from the disease. At present those whose reaction is negative are living with those who are in the active stage of the disease, and children who are born clean are associating with their leper parents and companions. The establishment of an isolation colony near the main colony is absolutely essential.

Recent discoveries render it almost certain that a large percentage of lepers can be cured. Although the remedy costs but little, funds have not been made available in sufficient amounts to provide this treatment for more than 10 per cent. of the lepers.

In brief, it can be stated that the original work done in Honolulu has now received confirmation to a degree that fully warrants intro-



ducing this treatment on a large scale in the Philippines and abandoning other treatments which have been advocated in the past, as there is every reason to believe that a large percentage of patients would soon recover to a point where they could be paroled. It is obvious that the dictates of humanity demand a very general use of the approved treatment. Furthermore, the economic advantage of relieving the Government from the care of large numbers of cases would be another desirable outcome. In a short time the money saved on patients discharged would more than provide funds for treating the entire number.

*Insane*—The care of the insane is medieval. Proper accommodations are entirely lacking. Steps should be taken to provide a proper establishment for the treatment of the insane. The present institution lacks practically every feature which should characterize a hospital for the insane and possesses many which can be guaranteed to turn those who are balancing between sanity and insanity in the wrong direction. There are no provisions for the separation of the violently insane from the incipient and mild cases, and conditions are, from the standpoint of proper treatment, exceedingly bad and should have been corrected long ago.

This is a matter which will be presented to the Legislature at the coming session, and, although funds may not be available for the construction of a fitting establishment, steps can be taken to improve greatly present conditions and lay the foundations for the future proper treatment.

*Defectives*—According to accepted ratios per thousand, there are in the Philippines between 5,000 and 10,000 defective children, deaf, dumb, or blind. So far the Government has provided for the care of only sixty-five of these defectives, to whom it owes a particular duty.

### ECONOMIC CONDITIONS

We are pleased to note and record many evidences of progressive development in the islands, as indicated by the following significant figures:

The postal savings bank was started in 1907, and by 1913 it had 40,000 depositors and \$675,000 in deposits. In 1920 these had reached 107,000 depositors and \$1,612,500 in deposits.

The law requires that 1 per cent. of the gross business done in the islands be paid to the Government in the form of taxes. This business was computed to be \$200,000,000 a year in 1907, when the tax was first imposed, and had increased to \$325,000,000 in 1913. In 1920 it had reached the figure of \$863,000,000. For example, the number of cigars manufactured had increased from 300,000,000 to 500,000,000. The total resources of commercial banks rose from \$15,000,000 in 1906 to \$31,000,000 in 1913, and are now estimated to be \$215,000,000; this, however, includes the impaired resources of the Philippine National Bank without reduction for losses. Money orders sold increased from \$8,000,000 in 1913 to \$17,000,000 in 1920, and postage receipts from \$380,000 in 1913 to \$780,000 in 1920. Telegraph receipts show a similar increase. The

gross earnings of the Philippine Railway have risen from \$380,000 in 1913 to \$750,000 in 1920, and the Manila Railroad from \$2,400,000 in 1914 to \$5,900,000 in 1920; this latter, however, is partially to be explained by the sharp increase in the mileage and rates.

All this development is very gratifying and shows how rapidly the Philippine people respond to improved conditions of transportation, finance, public order and markets brought about since the American occupation. The sharpest advances have been made during the war, as was to be expected, as the Filipinos had few additional war burdens placed upon them and were able to take advantage of the great increase in prices, which brought them unexampled prosperity.

The country is suffering from the general world-wide depression at the present time; the prices of products have fallen off very sharply, but even this is less acute than in other countries.

It should be noted, however, that whatever mistakes have been made here, they have not been sufficient to arrest the steady rate of progress which these figures prove to have taken place. Attention is called to the Progress Barometer, which is among the exhibits.

Your mission has had a careful report prepared showing the gross trade of the Philippine Islands. From 1903 to 1909 the figure was almost stationary; 1909 was the year in which the Payne bill was passed, creating free trade between the Philippine Islands and the United States. In the first three years of free trade the trade with all countries nearly doubled. Beginning with 1916 the trade went sharply upward, until in 1920 it reached the remarkable total of \$300,000,000. We have tried to get the figures of tonnage in order to analyze this growth in trade and see how much comes from increase in volume and how much is due to increase in price, but have not been able to get these figures.

An analysis of the trade shows that a curve indicating exports and imports from the United States follows almost the same lines as does that of total trade. Roughly speaking, two-thirds of the business of the country, or \$200,000,000, is trade with the United States, and one-third with all other countries. The proportion of gross business done with the United States has been steadily increasing. As the trade with the United States pays no customs duties and the bulk of the increase has been in that class of trade, the result is that the total revenues of customs has shown a tendency to fall off, while the cost of collection shows a steady increase.

In case free trade were to be taken from the Philippine Islands, it is probable that the closing of the rich markets of the United States to the products of the Philippine Islands would be very sharply felt. While the Philippine Government would receive customs duties on an important part of their imports that now come in free of duty, it is believed that the first effect would be a very serious blow to trade. For example, in 1920 nearly \$40,000,000 of sugar was exported to the United States, the duty on which would

have been 6 or 8 per cent. of its value. It is problematical how well Philippine sugar could have stood the handicap of 8 per cent. added to the high cost of freight from the Philippines to the United States.

The value of cigars exported to the United States was \$10,500,000; the duty on these at the present rate would amount to about \$30,000,000, which would practically have closed the markets of the United States to these cigars. There would have been a similar closing of the United States markets to leaf tobacco. The Collector of Customs estimates that the trade which has grown up in Philippine embroidery now reaches \$7,500,000 a year and would have to pay a duty of \$4,500,000. As there is no other market for this product, he believes the industry would be practically ruined.\*

In the main, it is believed that the loss in internal revenue, were the stimulus of free trade to business removed, would be greater than would be the increased collections of customs duties. In this connection it is interesting to note that the increase in internal revenue started when free trade was given and practically offset the drop in customs receipts at the time.

Further analysis of the customs shows the principal articles exported, measured in value, to have been: †Sugar, \$49,619,260; hemp, in which the Philippine Islands have a virtual monopoly, \$35,862,000; coconut oil, \$23,268,886.50; tobacco, \$19,927,391; embroideries, \$7,811,783.50; and copra, \$3,716,870.50.

### FINANCES

In 1905 the Philippine Government was put on a thorough business basis. All services rendered by one branch of the Government to others were paid for, and the books were so kept that the appropriations did not include any interbureau or intergovernmental payments.

The law has since been changed, so that the present cost of Government includes items of receipts for services sometimes from other branches of the Government, which makes analysis difficult and exact comparison impossible. The books are so kept that these amounts cannot be ascertained without an analysis of governmental accounts involving prohibitive expense. So that the gross figures of receipts and expense are padded on both sides by intergovernmental charges, which are neither real receipts nor expenditures, as they are payments by the Government to itself. The accounts should be so kept that these fictitious entries would be eliminated, in order to enable the officers of the Government to get a true picture of Government costs.

Certain figures, however, stand out so boldly that they cannot be questioned. The rate of taxation has been sharply advanced. The insular gross revenues from taxation in 1913, before the Filipinos were given virtual control of their Government, were \$12,500,000, as op-

posed to \$28,000,000 in 1920, an increase of 124 per cent. Government expenditures show a still greater proportion of growth. This increase in the general cost of Government has not been accompanied by a proportionate increase in efficiency; on the contrary, as has been noted elsewhere, there has been a general falling off in efficiency.

The per capita revenue from taxation has risen from \$1.32 in 1913 to \$2.50 in 1920. This compares with the per capita taxation of \$23.78 in Great Britain (1914-15), \$9.92 in the United States (1914-15), \$5.57 in Japan (1915-16), \$17.33 in the Argentine Republic (1915), and \$7.79 in Brazil (1915),\* from which it will be seen that the Filipino bears a smaller burden of taxation than the natives in any of the above cited countries. One reason the burden of taxation is so light in the Philippine Islands is because the United States has borne all costs of military and naval establishments necessary for the defense of the islands, and other expenses incident to the maintenance of sovereignty, including international, diplomatic and consular representation.

Of the total revenues of \$40,500,000, †\$28,000,000 is from taxation and \$10,500,000 from operating income and commercial and industrial units; this does not include earnings of the railroad, which the Government owns through ownership of the stock.

An analysis of revenue derived from taxation shows the receipts from internal revenues to be \$18,500,000, or two-thirds of the total. This internal-revenue collection is nearly four times as heavy as the collections of 1913.

The bonded debt of the Philippine Islands in 1920 was \$22,000,000, for the redemption of which is laid aside nearly \$5,000,000, sinking fund, so the net liability is something less than \$17,500,000. A comparison with the debt of other countries demonstrates that the Philippine Islands has a smaller bonded debt than most countries, the per capita being \$1.81, compared with \$25 in Cuba, \$237.07 in the United States, \$853 in England, and \$1,159 in France. The Dutch East Indies with \$1.92, is the nearest, and China next with a little less than double that of the Philippine Islands.‡ It will be seen that the recent act of Congress increasing the authority of the Philippine Islands to borrow was highly conservative and could be safely further increased without jeopardizing the financial stability of the Government. Bonds and notes of the Philippine Islands have been made exempt from Federal taxation and are received on deposit as currency reserve. Although not directly guaranteed, it is understood that the credit of the United States Government is behind them; this accounts for the high market value of these bonds.

In addition to the insular revenues, there are

\*These figures are taken from World Almanac, 1917, and are much heavier since the great war.

†The census shows "income" of \$49,000,000; this, however, is incorrect because analysis proves that it includes moneys derived from the sale of bonds.

‡Figures furnished by the Insular Auditor.

\*See among exhibits indorsement, dated Sept. 9, 1921, of the Insular Collector of Customs.

†These figures are all for 1920 and are taken from the report of the Insular Collector of Customs.

the provincial and municipal revenues. These are expended by the provinces and municipalities by vote of their own local authority. An examination of their accounts shows a similar expansion, the receipts and expenditures having increased about 100 per cent. in the last eight years.

The Government expense and cost of materials have shown a tendency to a sharp increase. And it is to be noted that a number of new bureaus and offices have been created.

*The Philippine National Bank*—The story of the Philippine National Bank is one of the most unfortunate and darkest pages in Philippine history. This bank was started in 1916, and a law was passed\* compelling all provincial and municipal Governments to deposit all their funds in it; and at the same time arrangements were made to transfer from other banks all Government funds there deposited, except trust funds, which were held on deposit in the United States; later the bank was put into a position to get control of these moneys and reserve funds. The sum of \$41,500,000, held for the conversion of currency, was transferred to the Philippine Islands, the bank making a large profit in exchange in doing so. Much of it was then loaned out to speculative concerns under circumstances which have led to grave doubt as to the good faith of the transactions.

A man presumed to be experienced in banking was brought from the United States and took the first Presidency, which he held a short time. An American inexperienced in banking was then put in charge, and upon his death a Filipino, also without banking experience, became President. The result of all this has been a series of banking losses, estimated by the Insular Auditor to reach the severe total of \$22,500,000. A partner of Messrs. Haskins & Sells, certified public accountants of New York, after a careful examination of the bank, makes the following comment:

"Our examination thus far reveals the fact that the bank has been operated during almost the entire period of its existence prior to the appointment of Mr. Wilson as manager in violation of every principle which prudence, intelligence, or even honesty, dictate."

As a result of these findings, charges have been filed against General Concepcion, a former President of the bank.

The Government became alarmed at the seriousness of the situation and secured the services of an experienced banking man from the United States, under whose conservative guidance the affairs of the bank are in a fair way to be put on a sound footing. But a large part of the assets of the bank have been loaned to concerns which will be unable to repay for many years—very largely in sugar centrals and coconut-oil factories. These loans were made in excessive amounts during the period of boom prices, and minimum precaution in regard to security was taken, with the result that the bank has allowed its reserves to run down much lower than required by law, is unable

to meet its current obligations, has had to ask other banks not to press for the redemption of its notes, and has further had to ask time for the payment of its obligations to many banks in Shanghai representing many countries, a list of which is among the exhibits, to whom it owes large sums of money as a result of losses incurred in speculation in exchange transactions.

Among the exhibits will be found a copy of the agreement entered into by the Insular Auditor and these banks for the settlement of these claims.

The bank also established branches and agencies throughout the Philippine Islands, in charge of which they placed untrained Filipinos, and without exception these branches have been mismanaged. Of the four branches in which examinations have been completed criminal charges have been preferred against the managers of each one.

These losses have seriously involved the Philippine Government, and the fact that it has not been able to meet its obligations has seriously impaired its credit. We have been informed by representatives of banks in North Borneo and Japan that they have received instructions not to honor the notes or drafts of the Philippine National Bank.

The currency resources have been depleted, the silver on deposit to redeem the currency has been pledged and used for other purposes. The fund for the maintenance of the parity of gold and silver is involved in these losses, with the result that instead of a metallic and cash basis for the currency, its principal support now is the pledge of the Philippine Government and the confidence on the part of the public that the United States will not permit these things to happen again. The currency is now practically a fiat currency.

In view of good earnings, moderate expenses, inherent wealth, a small public debt, and backed by the credit of the United States, the problem of rehabilitating the credit of the Philippine Islands should be an easy one. The lesson has been a bitter one for the Filipinos and the gravity of the mistake is generally appreciated.

One of the functions of the National Bank was to manage Government exchange. Having transferred all the funds usually available for exchange to Manila, and then loaned the money in such a way that it could not be recovered, the Government had to discontinue selling exchange. The rates ran up as high as 15 per cent., which was equivalent to a depreciation of the Philippine currency to almost that amount, which has resulted in great hardship to the inhabitants of the Philippine Islands, especially those engaged in business.

#### PUBLIC WORKS

In the matter of public works, your mission has to report both favorably and unfavorably.

The Government and people of the islands realize the value and necessity of public works, and large appropriations from current revenues have been made annually for such objects as the construction of roads, bridges, irrigation sys-

\*See Section 19 of Act No. 2612 of the Philippine Legislature.



tems, schoolhouses, markets, port works and artesian wells, among others. We find, however, an undue increase in the cost of public works, due in many instances to construction by administration instead of by contract; this has necessitated the purchase of equipment ordinarily furnished by the contractors. There has also been a deterioration in the quality of the work performed in this service. We find also a lack of competent supervision.

On the other hand, there has been a great deal of excellent work done. The director, a Filipino, is a man of unusual capacity and foresight, and he impressed the members of the mission most favorably.

An important proportion of all revenues of the Government are allocated to public works. And in the opinion of this mission this proportion should be increased.

In the last three years there has been notable progress in construction of irrigation systems. Sixteen projects have been undertaken, involving an expenditure of \$1,640,158. Many more projects are under consideration and are awaiting the availability of funds. The completion of these projects is of the utmost importance and it is an encouraging sign of progress that they have advanced as far as they have.

There are now 2,920 miles of roads rated as first class in the islands and 7,500 permanent bridges and culverts. The standard, however, of first class roads has been lowered and we found many roads rated as first class which are not so. There was an earnest effort by the Government to hurry through deferred repairs in order to prepare the roads for inspection.

During the earlier periods a system of road construction and maintenance was adopted and consistently followed. All structures on first-class roads were reinforced concrete and a standard system of road construction was adopted suited to the traffic. Although the work progressed slowly, it was thoroughly well done, adequate provision being made for constant maintenance by a force of laborers. The result was that the road service reached a high degree of perfection, comparing favorably with the roads of any other country and much better than most roads in America. The terrific force of the torrential rainfall in the islands made these precautions necessary.

We have to record that this system has not been consistently maintained; the roads are falling into disrepair, some are impassable and the system of maintenance is carried on spasmodically. In certain districts money has been spent for new roads instead of keeping up the old ones, which is unwise. We regret to say that a tendency has crept in to revert to the old practice of building bridges and other structures of wood, and a uniform policy of permanent construction has not been maintained. This practice, in the long run, is poor economy.

Heavy trucks have been purchased for carrying passengers and freight, and regular routes have been established on the highways. These trucks, in some cases, are much heavier than the roads were designed to carry, and much of the deterioration noted is attributable to this fact. The maintenance service should be re-

stored to old standards and the weight of the loads regulated, and standard sections strengthened to enable the use of heavier vehicles.

The roads are, at first sight, good at the present time, but a great proportion of the wearing surface has been worn off.

In the Mountain Province and non-Christian provinces we find that the service of maintaining roads and trails has been neglected, but it is believed that a better organization can remedy these defects without the necessity of additional revenues.

## GOVERNMENT IN BUSINESS

The Government has entered into certain lines of business usually left to private initiative. Among these can be cited the national bank with disastrous results, the purchase of the Manila Railroad Company, now operated at a loss, also the National Development and National Coal Companies, &c. At the request of the mission a thorough examination of the Manila Railroad Company was made by competent army engineers, whose report is among the exhibits. In our judgment the Government should as far as possible get out of and keep out of business.

## ELECTIONS

Enough elections have now been held to base an opinion upon results and to note the reaction of the Philippine people in the exercise of this important and fundamental function of a representative Government.

In June, 1919, the first general elections were held under the enlarged suffrage granted by the act of Aug. 29, 1916. The suffrage is still confined to men and to those who can read and write, who hold a certain amount of property or pay a certain tax, or to those who held offices under the Spanish régime.

Interest in the elections was widespread and election day passed without any serious disturbance. There was a general, quiet acceptance by the minority of the results of the popular vote, although the executive bureau was deluged with complaints. The courts, since that time, have been loaded with fraudulent election cases, the legal action on which has been so slow that there are still 350 cases pending in the courts, and many terms of office will be served out by people who were either fraudulently elected or, in some cases, appointed by executive order to the vacancies, even though their claims to the office had been pronounced by the courts as fraudulent. These were caused not only by the local conditions, but by an election law which is undoubtedly defective in providing sufficient safeguards for the ballot and which should be thoroughly revised.

Under the present election law officers known as Inspectors of Election are required to prepare the ballot for illiterate voters. This is a fruitful source of frauds. The election machinery is practically in the hands of the dominant parties and the Inspectors of Election are too often their tools.

It is surprising that the elections have been

conducted as well as they have been, in view of the fact that outside of the larger cities and principal towns the organization of society is very primitive and the people generally are unaware of their civil rights.

Such social organization as exists is of a patriarchal form, characterized by a strong clan feeling and centuries of leadership by a few influential individuals known as "caciques." The subservience of the people to these leaders has not yet been supplanted by new ideals that come with modern education or by a confirmed sense of duty to the State. Whenever representatives of two powerful family groups oppose one another at elections there is sure to be a bitter contest and an unwillingness on the part of the minority to accept the situation.

During the visit of the mission through the provinces the charges and countercharges of fraudulent practices have been widespread and intense. On the whole, this interest is indicative of a certain development of public opinion which will, in the end, right the wrongs.

As a rule, there is little evidence of a party system and program, and the elections are fought out upon personalities rather than on principles. The party in power is so intrenched that under the present election law it would be very difficult for the people to dislodge it if they wanted to change.

#### LEGISLATION

Legislation in which Filipinos have participated may be fairly divided into three periods:

First, 1907 to 1913. Under the strong, conservative influence of the commission with American majority, the legislation passed was constructive and good, with marked emphasis placed upon the improvement of education and construction of permanent improvements.

Second, 1913 to 1916. The restraining influence was withdrawn with the appearance of a Filipino majority on the commission. Good, constructive legislation was passed, but there were marked tendencies to inject politics into administration and to interfere with administrative efficiency. Injudicious economy by salary cutting and discouragement of Government personnel became marked. The tendency toward Government interference in business and radical Government paternalism began. The legislation also showed a conscious effort to encourage Filipino nationality and independence.\*

Third, 1916 to 1921. With an elected House and Senate, the legislation in this period became increasingly radical in its paternalism and Government interference with business. Some constructive legislation was passed, but the trend was toward injection of politics into administration and encroachment of the legislative on the executive. Legislation affecting finance, banking, and currency has been radical and unwise.

Another tendency in recent legislation has been the deliberate effort to take away from the American officers of the Government supervision of the different branches of the Government and put it into the departments controlled by Filipinos. Act 2666 provides that the Secretaries of all departments must be Filipinos. This is discriminatory legislation against

Americans. The so-called Jones bill provides that the Vice Governor and Secretary of Public Instruction must be an American, and it further provides that the health duties should be under this officer. The Philippine Legislature has endeavored to evade this by transferring the management of all Government hospitals to the Department of the Interior and by creating and placing in the same department a board of pharmaceutical officers, a board of optical examiners, &c.

The tendency which is found in all Legislatures of passing the bulk of the legislation in the last two days of the session is noted. By this means, much important legislation is passed with a rush. The forms of budget and currency appropriation bills are good.

#### GENERAL CONCLUSIONS

We find the people happy, peaceful, and in the main prosperous, and keenly appreciative of the benefits of American rule.

We find everywhere among the Christian Filipinos the desire for independence, generally under the protection of the United States. The non-Christians and Americans are for continuance of American control.

We find a general failure to appreciate the fact that independence under the protection of another nation is not true independence.

We find that the Government is not reasonably free from those underlying causes which result in the destruction of Government.

We find that a reasonable proportion of officials and employees are men of good character and ability, and reasonably faithful to the trust imposed upon them; but that the efficiency of the public services has fallen off, and that they are now relatively inefficient, due to lack of inspection and to the too rapid transfer of control to officials who have not had the necessary time for proper training.

We find that many Filipinos have shown marked capacity for Government service and that the young generation is full of promise; that the civil service laws have in the main been honestly administered, but there is a marked deterioration due to the injection of politics.

\*It is to be noted that franchises granted by the Government during this period contain the following clause:

"The concession of the privilege mentioned in the preceding section shall not take effect unless the grantee shall accept in writing and make part of this concession the following condition, to wit, 'That the grantee state in writing that it is informed of the message of the President of the United States addressed to the Filipino people and communicated to said people by the Governor General of the Philippine Islands on the sixth day of October, 1913, and of the reply message of the Philippine Assembly made in the name of the Filipino people and approved and sent on Oct. 16, 1913; that said grantee binds itself not to engage in or aid, by means of contributions in cash or otherwise, any propaganda directed against the policy of the Government of the United States outlined in such message of the President and the aspirations of the Filipino people set forth in said reply message of the Philippine Assembly, whether under the pretext of vested interests or under any other pretext, and that said grantee shall further bind itself to exact a similar engagement from its administrators, agents, successors and assigns.'"

We find there is a disquieting lack of confidence in the administration of justice, to an extent which constitutes a menace to the stability of the Government.

We find that the people are not organized economically nor from the standpoint of national defense to maintain an independent Government.

We find that the legislative chambers are conducted with dignity and decorum and are composed of representative men.

We feel that the lack of success in certain departments should not be considered as proof of essential incapacity on the part of Filipinos, but rather as indicating lack of experience and opportunity, especially lack of inspection.

We find that questions in regard to confirmation of appointments might at any time arise which would make a deadlock between the Governor General and the Philippine Senate.

We feel that with all their many excellent qualities, the experience of the last eight years, during which they have had practical autonomy, has not been such as to justify the people of the United States relinquishing supervision of the Government of the Philippine Islands, withdrawing their army and navy, and leaving the islands a prey to any powerful nation coveting their rich soil and potential commercial advantages.

In conclusion we are convinced that it would be a betrayal of the Philippine people, a misfortune to the American people, a distinct step backward in the path of progress, and a discreditable neglect of our national duty were we to withdraw from the islands and terminate our relationship there without giving the Filipinos the best chance possible to have an orderly and permanently stable Government.

#### RECOMMENDATIONS

1. We recommend that the present general status of the Philippine Islands continue until the people have had time to absorb and thoroughly master the powers already in their hands.

2. We recommend that the responsible representative of the United States, the Governor General, have authority commensurate with the responsibilities of his position. In case of failure to secure the necessary corrective action by the Philippine Legislature, we recommend that Congress declare null and void legislation which has been enacted diminishing, limiting, or dividing the authority granted the Governor General under act No. 240 of the Sixty-fourth Congress, known as the Jones bill.

3. We recommend that in case of a deadlock between the Governor General and the Philippine Senate in the confirmation of appointments that the President of the United States be authorized to make and render the final decision.

4. We recommend that under no circumstances should the American Government permit to be established in the Philippine Islands a situation which would leave the United States in a position of responsibility without authority.

LEONARD WOOD, *Chairman.*

W. CAMERON FORBES.

Oct. 8, 1921.

#### DATA ON THE PHILIPPINES

**Population**—Total population, 1903, 6,703,311; 1919, 10,956,730; Christian, 9,350,240; Mohammedan, 434,868; Pagan, 540,054; Buddhists, 25,568. Foreigners: Americans, 6,931; Spanish, 4,271; British, 1,202; Chinese, 55,212; Japanese, 12,636; all others, 2,893.

**Physical**—Number of islands, approximately, 3,000. Total area, 115,026 square miles. Total area under cultivation, 11,503 square miles (10 per cent.), valued at \$220,000,000. Total area of forest land of commercial value, 64,800 square miles, 99 per cent. of which belongs to the Government. Number of Provinces, 49. Number of municipalities, 829. Estimated total wealth of islands, \$5,500,000,000.

**Educational**—Number of public schools, 6,493. Total enrolment of pupils, including private schools, 1,020,000. Degree of literacy (about), 37 per cent. Having received primary instruction, 35.9 per cent.; having received secondary instruction, 0.89 per cent.; superior instruction, 0.13 per cent. Number of teachers (of whom 501 are American), 18,134. Number of colleges and universities, 17. Enrolment of students in University of Philippines, 4,130. Number of students attending colleges and schools in the United States, 2,700.

#### Health—

| Year.     | —Death Rate— |        | —Birth Rate— |        | Infant Death Rate— |         |
|-----------|--------------|--------|--------------|--------|--------------------|---------|
|           | Manila.      | Prov.  | Manila.      | Prov.  | Manila.            | Prov.   |
| 1904..... | 45.57        | 26.10  | 33.80        | 40.06  | 801.86             | 203.71  |
| 1913..... | 22.58        | 18.85  | 33.25        | 39.34  | 322.46             | 147.55  |
| 1920..... | 26.47        | *20.73 | 43.54        | *36.54 | 213.02             | *160.71 |

\*Estimated.

**Financial**—Income of Philippine Government, 1920, \$40,500,000. Tax per capita, \$3.96. Trade with United States (imports and exports), 1903, \$17,907,141; 1920, \$197,506,041. Persons rendering income-tax returns for 1920, 9,519 (Americans, 1,434; Chinese, 3,123; Filipinos, 3,667).

**Newspapers**—Daily newspapers published, 45; total circulation, 131,400. Weekly and other publications, 69; total circulation, 195,700.

**Suffrage**—Number of votes cast general election 1919, 672,122. Women do not have suffrage.

**Languages**—Number of distinct dialects spoken, 87. Number of ethnographic groups or tribes, 43.

**Roads**—Miles of railroad under operation, 755; miles of roads rated as first class, 2,920.

**Historical**—About 200-1325 A. D., dependency of various Hindu-Malayan empires in Indo-China, Sumatra, and Borneo; 1325-1405, subject to Javanese Empire of Madjapahit; 1405-1440, governed by China (under Ming Emperors); 1440-1565, Northern Luzon subject to Japan; from Manila south, subject to Mohammedan Borneo; 1565-1762, subject to Spain through Mexico (paid tribute to Japan 1592-1623 to avoid invasion by the Shogun Hideyoshi); 1762-1763, seized by England, but restored to Spain by the treaty ending the Seven Years' War; 1763-1898, subject to Spain (through Mexico until 1821 and to Spain direct after that date); 1898-1921, under American sovereignty; Military Government, 1898-1900; Philippine Commission, 1900-1907; Philippine Commission (American majority) and Assembly, 1907-1913; Philippine Commission (Filipino majority) and Assembly, 1913-1916; elected Assembly and Senate, under Jones bill, 1916-1921.



# TREATY OF PEACE WITH AUSTRIA

*Official text of the pact signed at Vienna, August 24, 1921, which restored friendly relations between the United States and Austria.*

## THE UNITED STATES OF AMERICA AND AUSTRIA:

Considering that the United States, acting in conjunction with its co-belligerents, entered into an armistice with Austria-Hungary on Nov. 3, 1918, in order that a treaty of peace might be concluded;

Considering that the former Austro-Hungarian Monarchy ceased to exist and was replaced in Austria by a republican Government;

Considering that the Treaty of St. Germain-en-Laye to which Austria is a party was signed on Sept. 10, 1919, and came into force according to the terms of its Article 381, but has not been ratified by the United States;

Considering that the Congress of the United States passed a joint resolution approved by the President July 2, 1921 [here Articles 4 and 5 of that resolution are quoted];

Being desirous of establishing securely friendly relations between the two nations, have for that purpose appointed their plenipotentiaries:

The President of the United States of America; Arthur Hugh Frazier; and the Federal President of the Republic of Austria, Johann Schober; who, having communicated their full powers, found to be in good and due form, have agreed as follows:

**ARTICLE I.**—Austria undertakes to accord to the United States and the United States shall have and enjoy all the rights, privileges, indemnities, reparations or advantages specified in the aforesaid joint resolution of the Congress of the United States of July 2, 1921, including all the rights and advantages stipulated for the benefit of the United States in the Treaty of St. Germain-en-Laye which the United States shall fully enjoy notwithstanding the fact that such treaty has not been ratified by the United States. The United States in availing itself of the rights and advantages stipulated in the provisions of that treaty, will do so in a manner consistent with the rights accorded to Austria under such provisions.

**ARTICLE II.**—With a view to defining more particularly the obligations of Austria under the foregoing article with respect to certain provisions in the Treaty of St. Germain-en-Laye, it is understood and agreed between the high contracting parties:

1. That the rights and advantages stipulated in that treaty for the benefit of the United States

which it is intended the United States shall have and enjoy, are those defined in Parts V., VI., VIII., IX., X., XI., XII. and XIV.

2. That the United States shall not be bound by the provisions of Part I. of that treaty nor by any provisions of that treaty including those mentioned in Paragraph 1 of this article which relate to the Covenant of the League of Nations, nor shall the United States be bound by any action taken by the League of Nations or by the Council or by the Assembly thereof, unless the United States shall expressly give its assent to such action.

3. That the United States assumes no obligations under or with respect to the provisions of Part II., Part III., Part IV. and Part XIII. of that treaty.

4. That, while the United States is privileged to participate in the Reparation Commission, according to the terms of Part VIII. of that treaty and in any other commission established under the treaty or under any agreement supplemental thereto, the United States is not bound to participate in any such commission unless it shall elect to do so.

5. That the periods of time to which reference is made in Article 381 of the Treaty of St. Germain-en-Laye shall run, with respect to any act or election on the part of the United States, from the date of the coming into force of the present treaty.

**ARTICLE III.**—The present treaty shall be ratified in accordance with the constitutional forms of the high contracting parties and shall take effect immediately on the exchange of ratifications which shall take place as soon as possible at Vienna.

In witness whereof, the respective plenipotentiaries have signed this treaty and have hereunto affixed their seals.

Done in duplicate in Vienna, this 24th day of August, 1921. ARTHUR HUGH FRAZIER.  
SCHOBER.

[This treaty was duly ratified and the ratifications were exchanged at Vienna on Nov. 8, 1921. President Harding, on Nov. 17, 1921, issued a formal proclamation "that the war between the United States and the Imperial and Royal Austro-Hungarian Government, which was declared by the said resolution of Dec. 7, 1917, to exist, terminated on July 2, 1921."]

# THE WORLD'S MONEY PROBLEM

*Growing conviction that the disturbed condition of trade can be cured only by concerted action through an international economic conference—Professor Cassel's illuminating study of the gold standard and how to get back to it*

PROPOSALS for an international economic conference which have been tentatively put forth at the Conference for Limitation of Armament in Washington are in line with the recommendation of Professor Gustav Cassel, who holds the Chair of Economics at the University of Stockholm, and whom Lloyd George has called one of the most brilliant economists in the world. Professor Cassel, by invitation of the League of Nations, submitted a memorandum on the world's monetary problems for consideration of the International Financial Conference at Brussels in 1920, and recently completed a second memorandum, by invitation of the Assembly of the League of Nations, embodying his views on the new complications in international monetary affairs. After a broad survey of the situation Professor Cassel recorded the following conclusions:

"The monetary problem of the world is at present so interwoven with political difficulties that it is vain to expect a definite solution until the chief political prerequisites for stability in economic conditions have been realized.

"It is first of all necessary that the international indebtedness inherited from the war should be settled on such terms as satisfy the world that the debts can really be paid, and make it clear by what concrete means payment can be offered and accepted. It might therefore seem that the whole discussion of monetary questions has to be deferred to some future day. But this would be a grave mistake. The world's monetary problem involves great technical difficulties which require a thorough examination by experts and a certain amount of co-operation between the different nations.

"There are two principal questions to be settled: the question of the stabilization of the internal value of currency and the gold question. How these questions are related to one another, and to what extent they are of an international character, has been shown above. The elucidation of these questions not only is an indispensable condition of the establishment in the future of a sound basis for the world's economic life, but also would be of great immediate utility. The experience of the last year has shown conclusively that some guidance is needed amid the confusion into which the world's monetary affairs have fallen, continued inflation on one side and excessive deflation on the other having deprived the world of every sense of equilibrium in the purchasing power of money and in international exchange.

"The only way to secure such guidance within a reasonable time would seem to be to refer the whole problem, as far as it involves purely monetary questions, to a small committee of

experts. In view of the central position which the United States has come to occupy since the war in all monetary affairs, and particularly in connection with the gold market, the representation of the United States on such a committee is most important. In principle, however, the committee should not represent nationalities, but expert knowledge and experience.

"The creation of such a committee would be a sign of the willingness of the world to solve its monetary difficulties by mutual understanding and action along common lines. The feeling that the time is ripe for such action is visibly growing stronger day by day."

Professor Cassel's study, which is comprehensive and, in general, clearly presented, will be most sympathetically received by adherents of the quantity theory of money, for his conclusions and recommendations are based upon this theory—that the general price level must rise and fall according as there is excess or shortage of the purchasing medium. Accordingly, one of his suggestions is that there should be a more generous extension of credit on the part of the banks and a creation of money for the purpose of checking present deflation and substituting for it a "certain inflation." For, says he, when production has already been artificially stimulated by inflation, every further extension of credit and creation of money means a net increase in the nominal purchasing power of the community without any corresponding increase of the mass of commodities to be sold. The productive capacity of the community being already fully employed, there is no possibility for an extension of production. The fresh purchasing power created can therefore only find something to buy by causing a general rise of prices. Thus prices, as explained in the first memorandum, must rise.

Putting aside for the moment all question as to whether or not an increase of the purchasing medium is bound to be followed by a rising price level, it is pertinent to inquire just how credit might be expanded and money created. Certainly Professor Cassel does not mean to advocate that loans be made freely to undesirable and unworthy borrowers, yet it would seem that such as these would be most likely, if not almost the only class, to apply for loans, since the banks say that there is already plenty of credit for those who can make profitable use of it, and that restrictions have been clapped upon only those whose circumstances in the business world do not justify further extensions of their lines. The real problem seems to be not so much to increase the means of production as to find solvent purchasers for the goods which have been and now can be produced. An expan-

sion of loans and currency would not accomplish this.

Such statements as these give rise to speculation over the probable result of an acceptance of Professor Cassel's dicta, although the subscriber to the quantity theory of money must find in the survey a logical presentation of the case. Professor Cassel begins with the assertion that the collapse of prices which began in May of 1920, and which has been accompanied by a tremendous falling off of business, unemployment and uncertainty of exchanges, warrants a critical study of the whole policy of inflation. He cites the United States as the most outstanding example among nations of the effects of a policy of deflation persistently carried out, and asserts that these effects have been "rather pernicious" upon the United States in checking production, creating "frozen credit" and threatening the liquidity and even the solvency of smaller banks, and upon other nations by driving them to proceed further along the path of deflation than they might have deemed wise or expedient had not the constantly rising purchasing power of the dollar kept them hard put to maintain their exchanges at a steady level.

At the outset Professor Cassel's adherence to the quantity theory seems to lead him into difficulties, for, after stating definitely that "a fall in the general level of prices is always essentially a monetary phenomenon," and "in the preceding period of rising prices the stock of money generally grew in about the same proportion as the price level rose," he is compelled to note that "the subsequent fall of prices has, however, not been followed by a corresponding reduction of the means of payment." He offers the explanation, which many will regard as inadequate, that the anomaly may be due to two causes, one the hoarding of money, and the other the faulty testimony of price index numbers which reflect, in many instances, not true wholesale prices, but bankruptcy prices of demoralized markets, and so give no trustworthy representation of the actual situation in regard to prices. "According," says the professor, "if the present index numbers of wholesale prices give a somewhat exaggerated idea of the fall in the general level of prices, it is natural enough that the stock of money should not have been reduced in the same proportion as these figures indicate."

If the latter explanation be accepted, however, it is hard to see why Professor Cassel has not let himself in for another, though a minor, difficulty. He defines deflation as "a process by which the internal value of the monetary unit is increased," and, of course, prices are lowered. If, then, our index numbers are untrustworthy and exaggerate the fall in prices, it seems evident that deflation has not yet reached the degree which Professor Cassel accepts as the premise of his study.

No one, however, will quarrel with Professor Cassel's opinion that deflation, whatever its degree, has progressed far enough to warrant a study of its effects, and these he finds to be the same for other countries as he has stated them to be for the United States, differences

being accounted for by the degree to which the policy has been enforced. And here again there will be those who will differ with the professor. He asserts:

"The downward movement of prices has not, as is sometimes assumed, been merely a spontaneous result of forces beyond our control. It is essentially the result of a policy deliberately framed with a view to bringing down prices and giving a higher value to the monetary unit."

The merchant who has seen the stock on his shelves go begging at successively reduced prices will be much more inclined to believe that his misfortune has been the result of crowd psychology, the belief that, since prices are falling, they will fall more yet, rather than that any controlled policy directed the actions of his one-time customers.

Internationally Professor Cassel finds that the effects of deflation have been little less serious than upon domestic trade. Of this he says:

"The real disturbance of international trade arises in connection with the movements of the internal values of the different monetary standards. The general uncertainty as to the future of all exchanges caused by these movements is most detrimental to all regular business. The alteration of the rates of exchange, which a process of deflation in one country can bring about in the space of time required for the production in that country of certain commodities for export, may easily mount to such a reduction in the exchange value of the foreign money for which the commodities are sold that the whole transaction becomes a failure from a commercial point of view. True, the money of his own country which the producer receives in exchange has, in the meantime, acquired a correspondingly higher value. But that is generally of no advantage for the producer, who, as a rule, uses this money to pay back debts incurred during the process of production.

This analysis shows that the real difficulty is, in principle, the same as the difficulty experienced in production for the home market where deflation, by producing a continuous fall of prices, acts as a great drawback to all forms of production that require more than a very short time."

Professor Cassel directs attention to the added burden of the public debt which results from a rise in the value of the purchasing medium, and asserts that stability, no matter at what level, is more to be desired than the present movement of exchanges. He concedes that the desire to restore the old gold standard "is a general and very powerful motive for deflation. This desire involves two different aims. First, it is felt that there is no way out of the present paper money muddle other than the re-establishment of the gold standard. Secondly, it is believed, often without much criticism, that this standard must necessarily be the old gold standard.

"As to the first, it is possibly true that the desire to revert to gold is so general and so strong that every effort, however well founded theoretically, to build up a sound system of money on scientifically regulated paper standards would prove, for the present at least, to be



a failure. But even if this is conceded, it does not by any means follow that the new gold standard must be founded on the same parity with gold as the pre-war standard."

Professor Cassel sees the value of gold practically determined by the value of the dollar, because of the peculiar situation of the market as a result of post-war conditions, and he despairs of the various nations getting back to the old gold standard, certainly within any measurable time, and not, at any rate, until a real stability of the gold market can be obtained. But this, he says, can never be until the gold standard has been restored in several countries and actual gold payments have been resumed in a considerable part of the world. The true basis of a trustworthy gold market "can only be a world-wide international trade carried on on a gold basis. On the other hand, such a restoration of the gold standard is only possible on the condition that the gold market has already acquired some stability. The only way to a solution of a problem which presents such complications seems to lie in a mutual co-operation of the nations, with a view of securing that agreement in policy and that unity of effort which alone promise success where isolated action would necessarily fail. A rational settlement of the question of war debts and their payment is of course a *sine qua non* if any effort to restore stability and reliability to the world's monetary machinery is to be successful. But the co-operation here suggested would be specifically directed at an arrangement with regard to the way in which this machinery should be connected with gold."

Professor Cassel cites the fact that the supply of gold has become insufficient to keep pace with the rate of economic progress "which we used to regard as normal before the war. Assuming that the world is not going to give up this rate of progress, a general restoration of the gold standard, with the consequent progressive development of the monetary demand for

gold, would inevitably result in an increasing scarcity of gold and a continuous rise in its value. This would mean that the world condemned itself, for an unlimited future, to a slow but progressive process of deflation with all its evil effects on enterprise and production as well as on public finance. The program suggested in the first memorandum of a progressive reduction in the monetary demand for gold is, under such circumstances, of very practical importance. In fact, the only reasonable alternative to such a program is the immediate and definite abandonment of the use of gold as a monetary standard."

Accordingly Professor Cassel proposes the fixing of a stable internal value to the monetary standards of different countries, and suggests that the authorities must determine the level at which they will try to stabilize prices, make their determination and their plan public, and adhere rigidly to it, though it will require alternating periods of deflation and inflation, making it essential that the public should be assured of the unity of purpose in the changing phases of action and in the seemingly opposite measures applied.

Professor Cassel acknowledges the difficulties in choosing a level, and suggests that a readjustment of wages will be necessary, since their relative position in different fields of endeavor is not now compatible with a true economic equilibrium. With the nominal level of wages agreed on, the general price level should be fixed at a point where an equilibrium between the price of products and the cost of their production is established with the least disturbance.

The disturbing effects of international war debts and indemnities are recognized by Professor Cassel, who is frankly pessimistic over the outlook in Germany, and feels that among the Allies there must be some reduction of debts if the world is ever to return to anything approaching what was once called "normal."

## CHILE MAKES ADVANCES TO PERU

THE Minister of Foreign Affairs of Chile on Dec. 12, 1921, addressed a note to the Peruvian Foreign Office in which was expressed the intention of the Chilean Government to open immediate negotiations with Peru, with the purpose of reaching an agreement on the terms of the additional protocol contemplated in Clause 3 of the Treaty of Ancon, and by which the plebiscite destined to determine the final nationality of Tacna and Arica should be governed.

The Chilean note proposes as a workable basis the very terms advanced by Peru itself during the negotiations of 1912, terms which would have had a chance to succeed at that time had not the Billinghurst Government collapsed in Peru. Should these bases be acceptable to the present Peruvian Government, the plebiscite will be carried out in accordance with the following terms:

1. The plebiscite shall be held under the direction of a commission that shall proceed by majority vote, and shall be composed of five delegates, to wit: Two Chileans, to be appointed by Chile; two Peruvians, to be appointed by Peru, and the President of the Supreme Court of Justice of Chile, who shall preside.

2. Native-born persons in Tacna and Arica, and Chileans and Peruvians who shall have resided three years in the territory, shall vote.

3. All voters must be able to read and write.

The date for the plebiscite was fixed, according to that plan, for the year 1933, but in the present note Chile offers to agree to a nearer date, in fact to effect it "as soon as possible," so as to abolish a cause of international friction and anxiety for the whole of the continent. The Chilean Government is willing to welcome any suggestion on the part of Peru for the purpose of giving the act the highest measure of solemnity and correctness.